

**PX 24**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE )  
COMMISSION, )  
 )  
Plaintiff, )  
 ) Case No.:  
v. ) 20-Civ-10832(AT)(SN)  
 )  
RIPPLE LABS, INC., BRADLEY )  
GARLINGHOUSE, and CHRISTIAN )  
LARSEN, )  
 )  
Defendants. )  
\_\_\_\_\_ )

CONFIDENTIAL

VIDEOTAPED DEPOSITION OF ETHAN BEARD

Tuesday, August 24, 2021

Reported By:  
KATHLEEN WILKINS,  
STENOGRAPHIC REPORTER,  
CSR No. 10068  
RPR-RMR-CRR-CCRR-CLR-CRC  
JOB No. 210824KWI

## 1 VIDEOTAPED DEPOSITION OF ETHAN BEARD

2 BE IT REMEMBERED that on Tuesday,  
3 August 24, 2021, commencing at the hour of 9:04 a.m.  
4 thereof, at King & Spalding, 50 California Street,  
5 Suite 3300, San Francisco, California, before me,  
6 Kathleen A. Wilkins, RPR-RMR-CRR-CCRR-CLR-CRC, a  
7 Certified Stenographic Shorthand Reporter, in and  
8 for the State of California, personally appeared  
9 ETHAN BEARD, a witness in the above-entitled court  
10 and cause, who, being by me first duly sworn, was  
11 thereupon examined as a witness in said action.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

APPEARANCES OF COUNSEL

FOR THE PLAINTIFF:

SECURITIES AND EXCHANGE COMMISSION  
New York Regional Office  
200 Vesey Street, Suite 400  
New York, New York 10281-1022  
BY: PASCALE GUERRIER, ESQ.  
ROBERT M. MOYE, ESQ.  
Telephone: (212) 336-0153  
Email: Guerrierp@sec.gov  
MoyerR@sec.gov

FOR THE DEFENDANT RIPPLE LABS:

DEBEVOISE & PLIMPTON LLP  
919 Third Avenue  
New York, New York 10022  
BY: LISA ZORNBERG, ESQ.  
BENJAMIN LEB, ESQ.  
Telephone: (212) 909.6947  
Email: Lzornbeg@debevoise.com  
bjleb@debevoise.com



APPEARANCES OF COUNSEL (Continued)

FOR DEFENDANT CHRISTIAN A. LARSEN:

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP  
2001 K Street, NW  
Washington, D.C. 20006-1047  
BY: MEREDITH DEARBORN, ESQ.  
Telephone: (628) 432-5117  
Email: mdearborn@paulweiss.com

ALSO PRESENT:

Ana Guardado, Ripple in-house counsel  
Madison Butko, Videographer

ZOOM PARTICIPANTS (Via Zoom Videoconference):

Jorje Tenreiro, Esq., Securities and Exchange  
Commission, for the Plaintiff; Nicole  
Forbes, SEC Paralegal

Leyla Salman, Esq., Joy Guo, Esq., Debevoise &  
Plimpton, for Ripple Labs

Connor J. Ritschard, Esq., Paul, Weiss,  
Rifkind, Wharton & Garrison LLP, for  
Christian A. Larsen

Matthew C. Solomon, Esq., Nowell Bamburger,  
Esq., Caleb J. Robertson, Esq., Cleary  
Gottlieb Steen & Hamilton LLP, for  
defendant Bradley Garlinghouse

## INDEX

## INDEX OF EXAMINATIONS

WITNESS: ETHAN BEARD	PAGE
Morning Session	8
Examination By Ms. Guerrier	10
Afternoon Session	170

## INDEX OF EXHIBITS

EXHIBIT	DESCRIPTION	PAGE
Exhibit EB-1	Document entitled, "Ripple Employment Offer Letter," Bates stamped RPLI_SEC 0431917 through RPLI_SEC 0431920	60
Exhibit EB-2	Email from Brad Garlinghouse to Ethan Beard, Bates stamped RPLI_SEC 0382729 through RPLI_SEC 0382732	58
Exhibit EB-4	Email from Brad Garlinghouse to Ethan Beard, Bates stamped RPLI_SEC 0431803 through RPLI_SEC 0431805	77
Exhibit EB-5	Document entitled, " [REDACTED] on-going responsibilities and activities," Bates stamped RPLI_SEC 0413724 through RPLI_SEC 0413725	131
Exhibit EB-6	Email from [REDACTED] to Ethan Beard, et al., Bates stamped RPLI-SEC 0468211	137

## INDEX OF EXHIBITS (Continued)

EXHIBIT	DESCRIPTION	PAGE
Exhibit EB-7	Email from Ethan Beard to [REDACTED] Bates stamped RPLI_SEC 0875694 through RPLI_SEC 0875696	146
Exhibit EB-8	String of e-mails Bates stamped RPLI_SEC 0767704 to RPLI_SEC 0767706	162
Exhibit EB-9	Handwritten notes, Bates stamped RPLI_SEC 1071027	224
Exhibit EB-10	String of e-mails Bates stamped RPLI_SEC 0312351 through RPLI_SEC 0312352	182
Exhibit EB-11	Email from Ethan Beard to Ethan Beard, Bates stamped RPLI_SEC 0580406 through RPLI_SEC 0580415	99
Exhibit EB-12	Email from Ethan Beard to Brad Garlinghouse, Bates stamped RPLI_SEC 0582970 through RPLI_SEC 0582971	246
Exhibit EB-18	String of e-mails Bates stamped RPLI_SEC 0431365 through RPLI_SEC 0431366	110
Exhibit EB-20	String of e-mails Bates stamped RPLI_SEC 0453728 through RPLI_SEC 0453730	117
Exhibit EB-29	String of e-mails Bates stamped RPLI_SEC 0414368 through RPLI_SEC 0414369	172
Exhibit EB-33	String of e-mails Bates stamped RPLI_SEC 0235679 through RPLI_SEC 0235682	186

## INDEX OF EXHIBITS (Continued)

EXHIBIT	DESCRIPTION	PAGE
Exhibit EB-35	String of e-mails Bates stamped BAMT_000144 through BAMT_000145	205
Exhibit EB-39	Email from Ethan Beard to [REDACTED] Bates stamped RPLI_SEC 0451655	153
Exhibit EB-40	Email from Ethan Beard to Brad Garlinghouse, Bates stamped RPLI_SEC 0547631 through RPLI_SEC 0547633	231
Exhibit EB-42	String of e-mails Bates stamped RPLI_SEC 0472187 to RPLI_SEC 0472188	176
Exhibit EB-47	Email from Ethan Beard to Brad Garlinghouse, Bates stamped RPLI_SEC 0981972 through RPLI_SEC 0981973	236
Exhibit EB-48	String of e-mails Bates stamped RPLI_SEC 0521430 through RPLI_SEC 0521432	240



1 AUGUST 24, 2021

9:04 A.M.

2 P R O C E E D I N G S

3 MORNING SESSION

4 THE VIDEOGRAPHER: This is the start of  
5 file number 1 in the deposition of Ethan Beard in  
6 the matter of SEC V Ripple Labs, et al. This is a  
7 matter pending before the United States District  
8 Court, Southern District of New York. The case  
9 number is 20-CIV-10832(AT)(SN).

10 Today's date is August 24th, 2021, and  
11 the time on the video monitor is 9:04 a.m. The  
12 video operator today is Madison Butko contracted by  
13 Gradillas Court Reporting. This video deposition is  
14 taking place at the offices of King & Spalding in  
15 San Francisco.

16 Counsel, will you please identify  
17 yourselves starting with the questioning attorney.

18 MS. GUERRIER: Good morning, I'm  
19 Pascale Guerrier. I'm a trial attorney with the  
20 Securities and Exchange Commission, and I'm here  
21 with my colleague, Mr. Moye, Robert Moye. There may  
22 be other SEC attorneys on the phone. Or on --  
23 calling in.

24 MS. ZORNBERG: Lisa Zornberg from  
25 Debevoise & Plimpton on behalf of both Mr. Beard and

1 on behalf of Ripple Labs.

2 MR. LEB: Benjamin Leb from  
3 Debevoise & Plimpton.

4 MS. DEARBORN: Meredith Dearborn from Paul  
5 Weiss on behalf of Chris Larsen.

6 MS. GUARDADO: [REDACTED] Ripple Labs.

7 MS. ZORNBERG: If now is a convenient  
8 time, may I put a few things on the record?

9 MS. GUERRIER: Sure.

10 MS. ZORNBERG: So, first, just we'd like  
11 to designate this transcript as confidential. We  
12 may, at a later point, designate portions as being  
13 highly confidential under the protective order.

14 Second, for efficiency of today's  
15 proceeding, on behalf of the defendants, an  
16 objection by any one of us will preserve the  
17 objection as to all of us. Thank you.

18 MS. GUERRIER: Thank you.

19 EXAMINATION BY MS. GUERRIER

20 BY MS. GUERRIER:

21 Q. Good morning, sir.

22 THE VIDEOGRAPHER: Okay. Will the court  
23 reporter please swear in the witness.

24 / /

25 / /

1                   ETHAN BEARD,  
2                   having been duly sworn,  
3           was examined and testified as follows:

4                   EXAMINATION BY MS. GUERRIER

5   BY MS. GUERRIER:

6           Q.    Good morning.

7           A.    Good morning.

8           Q.    If you could please state your name for  
9   the record.

10          A.    My name is Ethan Beard.

11          Q.    And you're here with your counsel today?

12          A.    I am.

13          Q.    And who's your counsel?

14          A.    My counsel is Debevoise.

15          Q.    Have you ever given testimony before by  
16   deposition?

17          A.    I have.

18          Q.    Okay.  When was the time that you gave  
19   your deposition?

20          A.    Five or ten years ago.

21          Q.    Okay.  So before I continue, I just want  
22   to, for the rules, so that we are clear and that the  
23   court reporter can take down what I'm saying and  
24   what you're saying accurately, I'm going to try to  
25   finish my questions.  If you could please let me do



1 that and then I'll let you finish your answer so we  
2 don't talk over each other.

3 A. Sure.

4 Q. Okay. So what is the case that you took  
5 the deposition in?

6 A. It was a case involving [REDACTED], which is  
7 a previous employer of mine.

8 Q. Do you recall who the plaintiff in the  
9 case was?

10 A. I do not.

11 Q. Was [REDACTED] the defendant?

12 A. I believe so.

13 Q. Okay. And what year was this?

14 A. I don't recall specifically.

15 Q. Okay.

16 A. It was probably -- I left [REDACTED] in  
17 2012, and it was after that.

18 Q. Do you know what the case was about?

19 A. It was involving the [REDACTED] platform,  
20 which was a team I worked on, and advertising,  
21 advertising technologies.

22 Q. Were you named as a defendant in the case?

23 A. No.

24 Q. And did you say you don't recall who the  
25 plaintiff was?

1 A. I do not.

2 Q. Okay. And you were called to testify at a  
3 deposition?

4 A. Yes.

5 Q. Okay. What did you testify about?

6 MS. ZORNBERG: Object to form.

7 THE WITNESS: Various questions about how  
8 [REDACTED] operated its platform.

9 BY MS. GUERRIER:

10 Q. Okay. Do you recall what role you had at  
11 Facebook when you testified at the deposition?

12 MS. ZORNBERG: Object to form.

13 THE WITNESS: I was not at [REDACTED] when I  
14 was deposed.

15 BY MS. GUERRIER:

16 Q. So why were you deposed?

17 MS. ZORNBERG: Objection.

18 THE WITNESS: It involved a -- issues from  
19 when I was an employee by [REDACTED]

20 BY MS. GUERRIER:

21 Q. Do you recall when you were an employee of

22 [REDACTED]

23 A. I do.

24 Q. What year?

25 A. I was at [REDACTED]

1 Q. And what was your role at [REDACTED] in

2 [REDACTED]

3 A. I managed the [REDACTED] developer platform.

4 Q. Did you have a specific title?

5 A. I did. It changed many times while I was

6 there. I think [REDACTED]

7 [REDACTED] was probably the longest one.

8 Q. Okay. And do you recall how long you were

9 a [REDACTED] Did I say

10 that correctly?

11 A. Yeah, you did say that correctly.

12 As I said, my title changed a number of

13 times while I was there. I managed the [REDACTED]

14 [REDACTED] for about four years.

15 Q. What other titles did you have at

16 [REDACTED]

17 A. [REDACTED]

18 Q. Do you recall how long you were [REDACTED]

19 [REDACTED]?

20 A. About a year.

21 Q. Do you recall what year?

22 A. The first year I was there, [REDACTED]

23 Q. Any other titles at [REDACTED]?

24 MS. ZORNBERG: Object to form.

25 THE WITNESS: Not that I remember.

1 BY MS. GUERRIER:

2 Q. So when you were deposed, were you deposed  
3 in your capacity as the manage -- when you managed  
4 [REDACTED] at [REDACTED]?

5 MS. ZORNBERG: Object to form and asked  
6 and answered.

7 You can answer.

8 THE WITNESS: Sorry, can you repeat your  
9 question?

10 BY MS. GUERRIER:

11 Q. When you were deposed, was it in your  
12 capacity as a [REDACTED] at [REDACTED]?

13 A. Yeah.

14 MS. ZORNBERG: Objection. Just so the  
15 record's clear, he's already testified that he was  
16 not an employee of [REDACTED] at the time of the  
17 deposition.

18 MS. GUERRIER: Well, let him -- let him  
19 respond please, thank you.

20 THE WITNESS: That is correct. I was not  
21 employed by [REDACTED] at the time of the deposition.

22 BY MS. GUERRIER:

23 Q. Okay. What -- you left [REDACTED] in [REDACTED]

24 A. I did.

25 Q. Okay. What year were you deposed?



1 A. [REDACTED] I  
2 don't remember exactly.

3 Q. Okay. Any other depositions?

4 A. No.

5 MS. ZORNBERG: Object to form.

6 Just pause a second --

7 THE WITNESS: Yeah.

8 MS. ZORNBERG: -- after the question.

9 BY MS. GUERRIER:

10 Q. Are you currently employed?

11 A. Yes.

12 Q. Where do you work?

13 A. I work at a company, a new start-up that  
14 I'm working on.

15 Q. What is the name of the company?

16 A. It is called [REDACTED]

17 Q. Can you spell that?

18 A. [REDACTED]

19 Q. What kind of company is [REDACTED]?

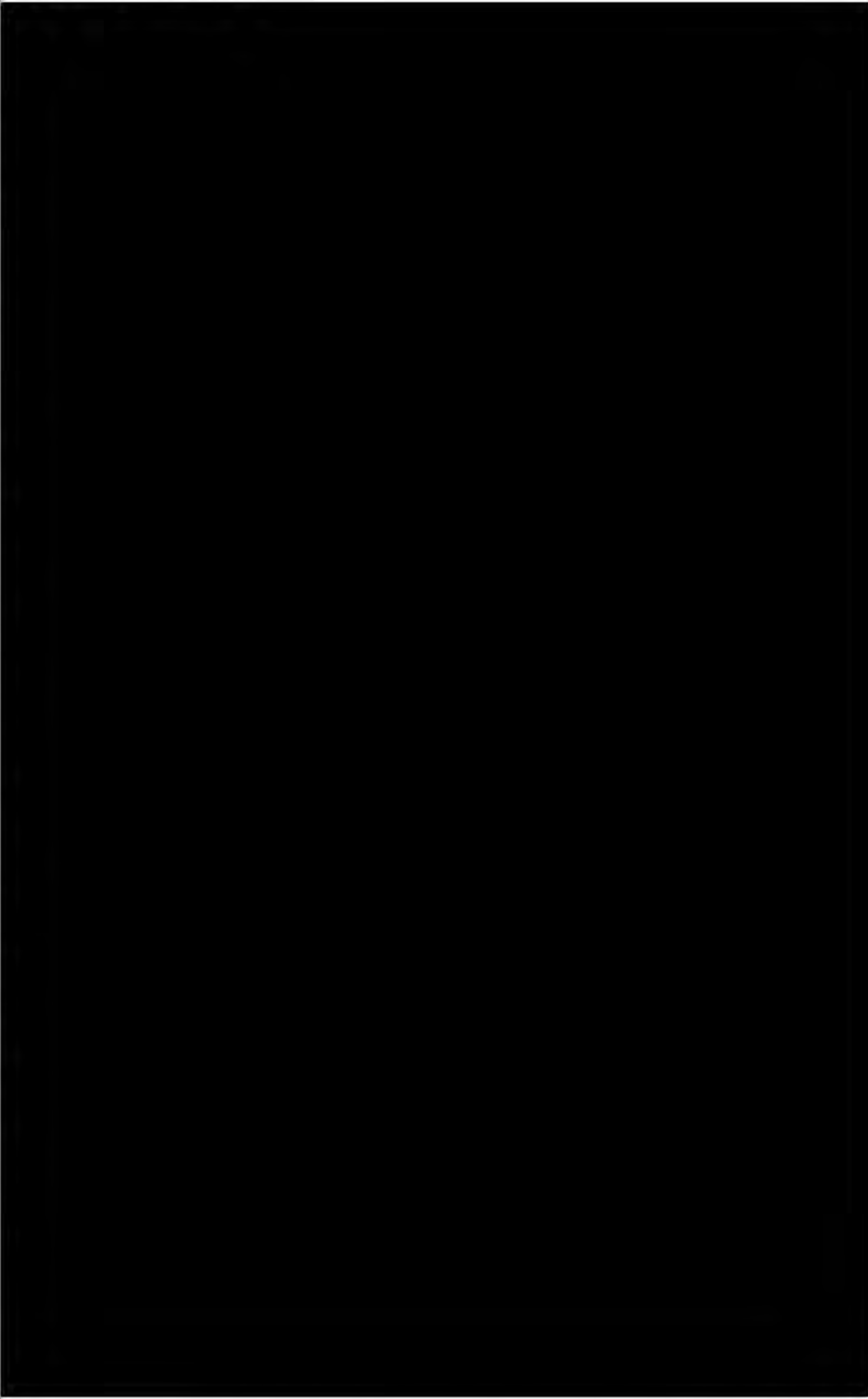
20 A. It's a technology company.

21 Q. Can you be more specific?

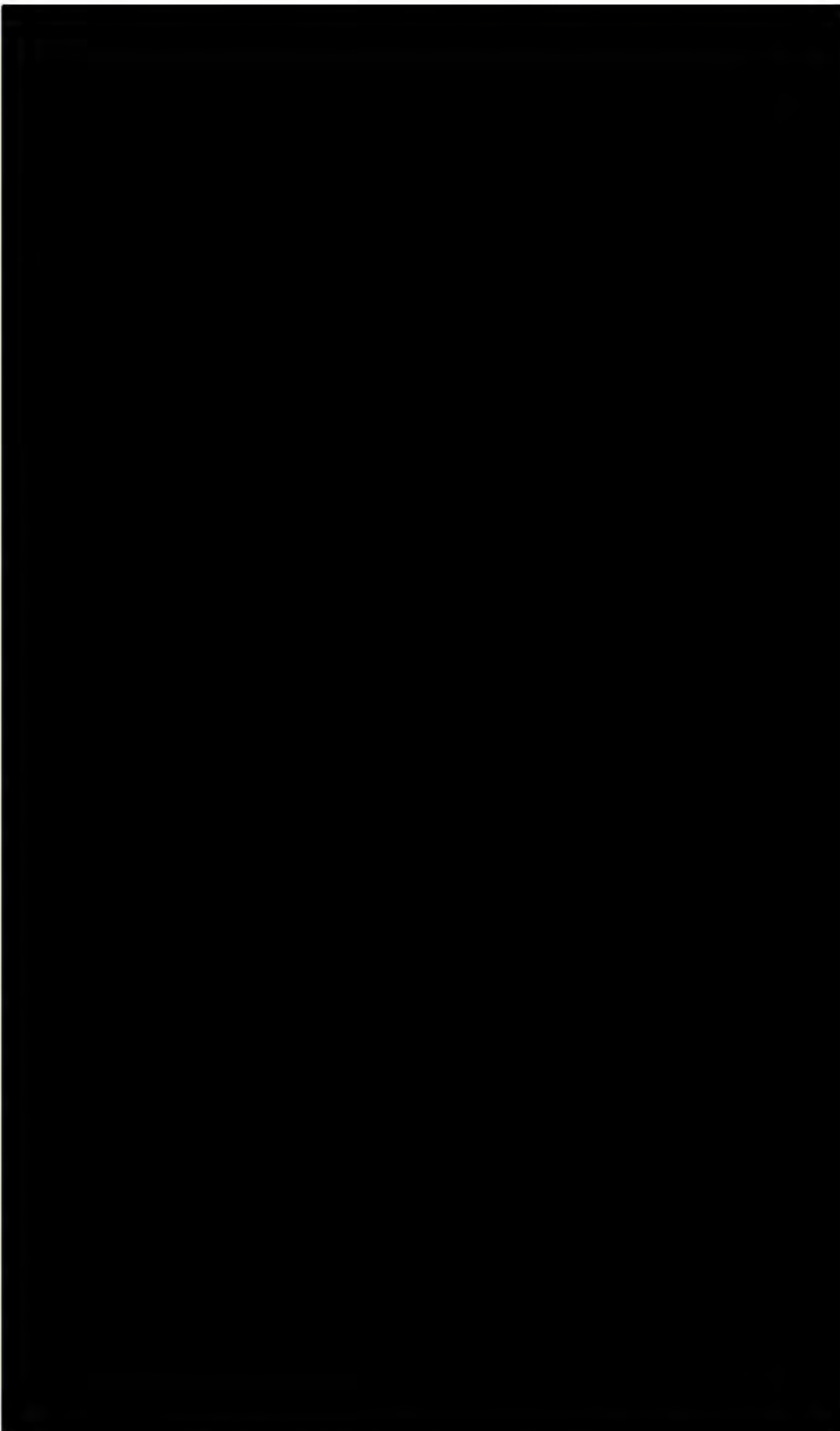
22 MS. ZORNBERG: Object to form.

23 THE WITNESS: It is a technology company  
24 focused [REDACTED]  
25 [REDACTED]

1 BY MS. GUERRIER:  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

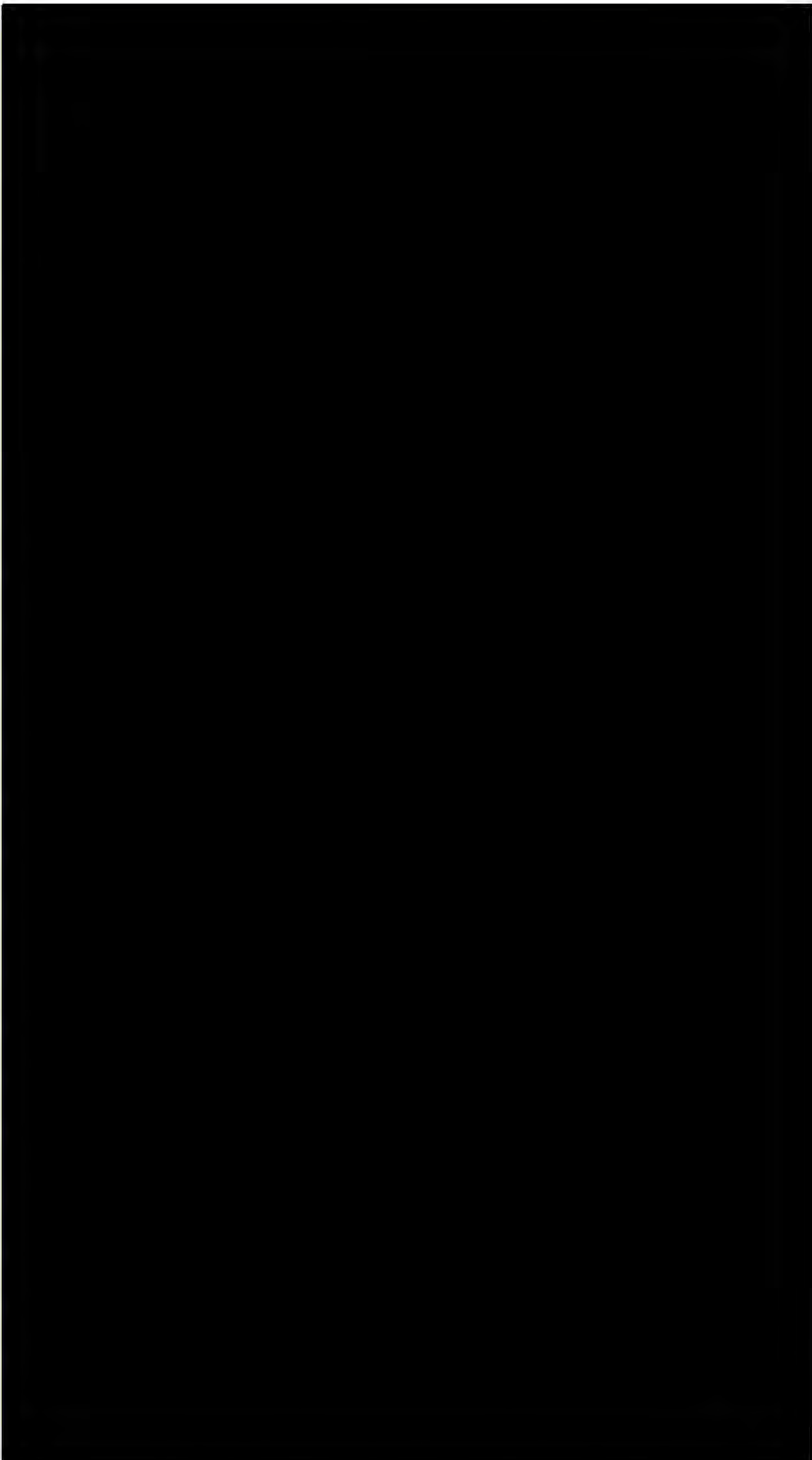


1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

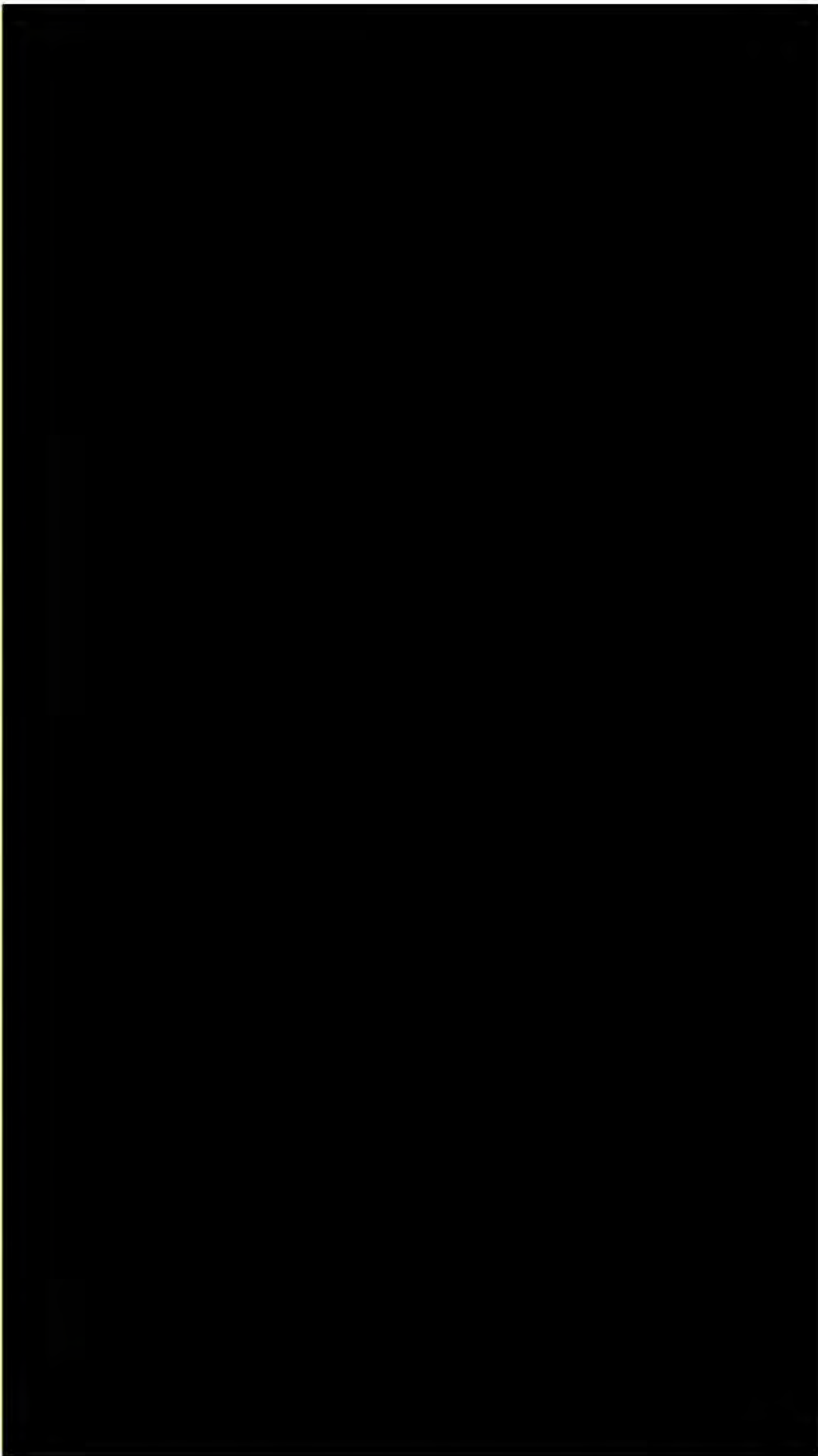




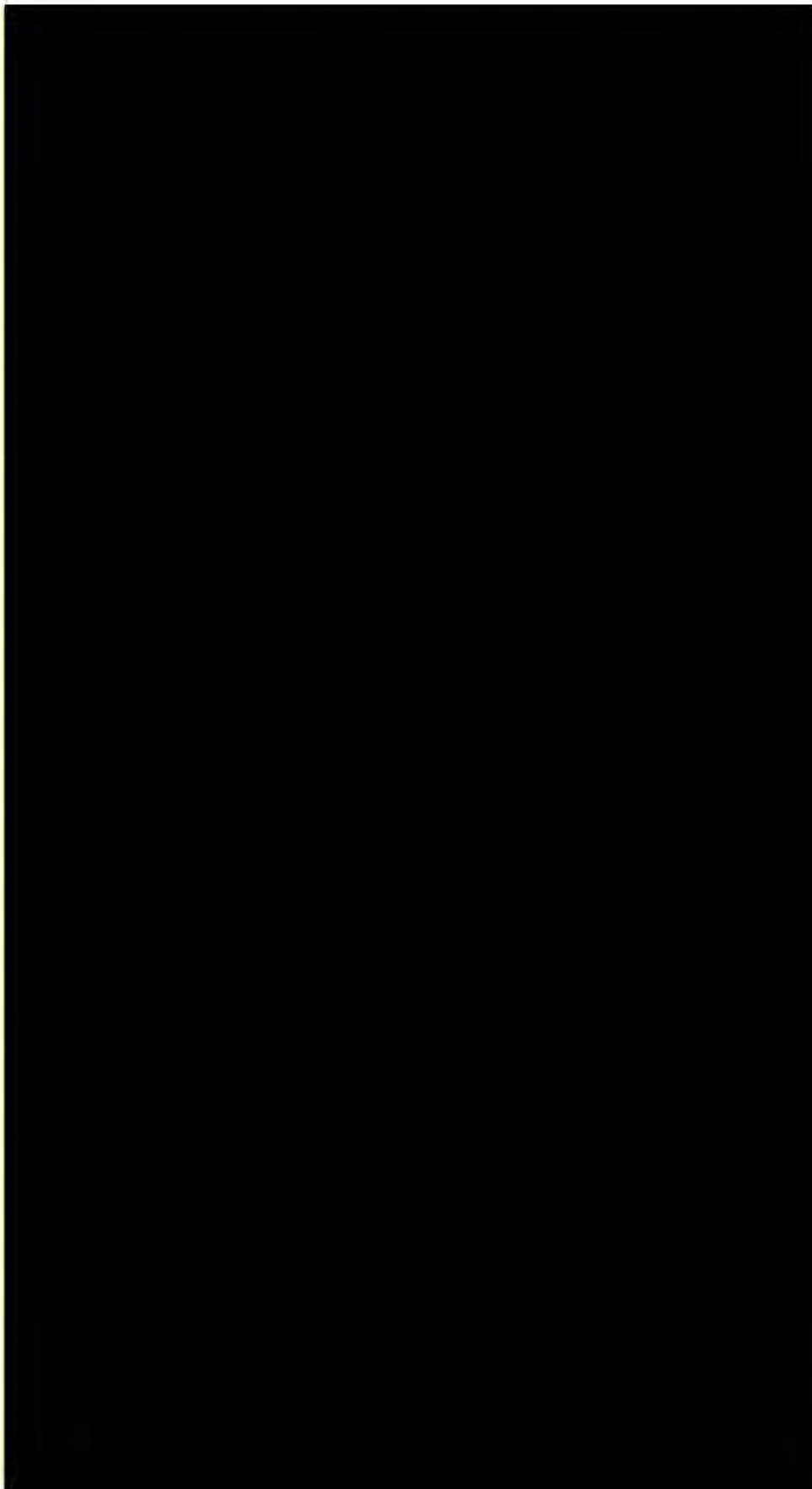
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25





MS. ZORNBERG: Can I ask for a proffer as to how this is relevant in any way to this --

MS. GUERRIER: Can I finish my question and then you can --

MS. ZORNBERG: I thought you were finished.

MS. GUERRIER: I'm not.

Q. Okay. So going back, did you say that there were other owners that you can't recall?

A. There are other owners.

MS. ZORNBERG: Objection. Can I now ask for a proffer as to how this is relevant.

MS. GUERRIER: I'm not sure why you need a proffer at this time. I mean, I'm asking him about his current employment.

1 MS. ZORNBERG: Yeah.

2 MS. GUERRIER: So I don't understand why  
3 you would need a proffer.

4 MS. ZORNBERG: Well, you haven't even  
5 asked him any -- we're here in an action against  
6 Ripple Labs. You've not even asked him if  
7 Ripple Labs is an investor. He hasn't named it as  
8 an investor --

9 MS. GUERRIER: First of all, I'm asking  
10 the questions, not you. You'll have your  
11 opportunity to do whatever it is you need to do with  
12 him. But these are my questions, not yours.

13 MS. ZORNBERG: Okay.

14 MS. GUERRIER: I don't believe I need you  
15 to tell me how to ask questions.

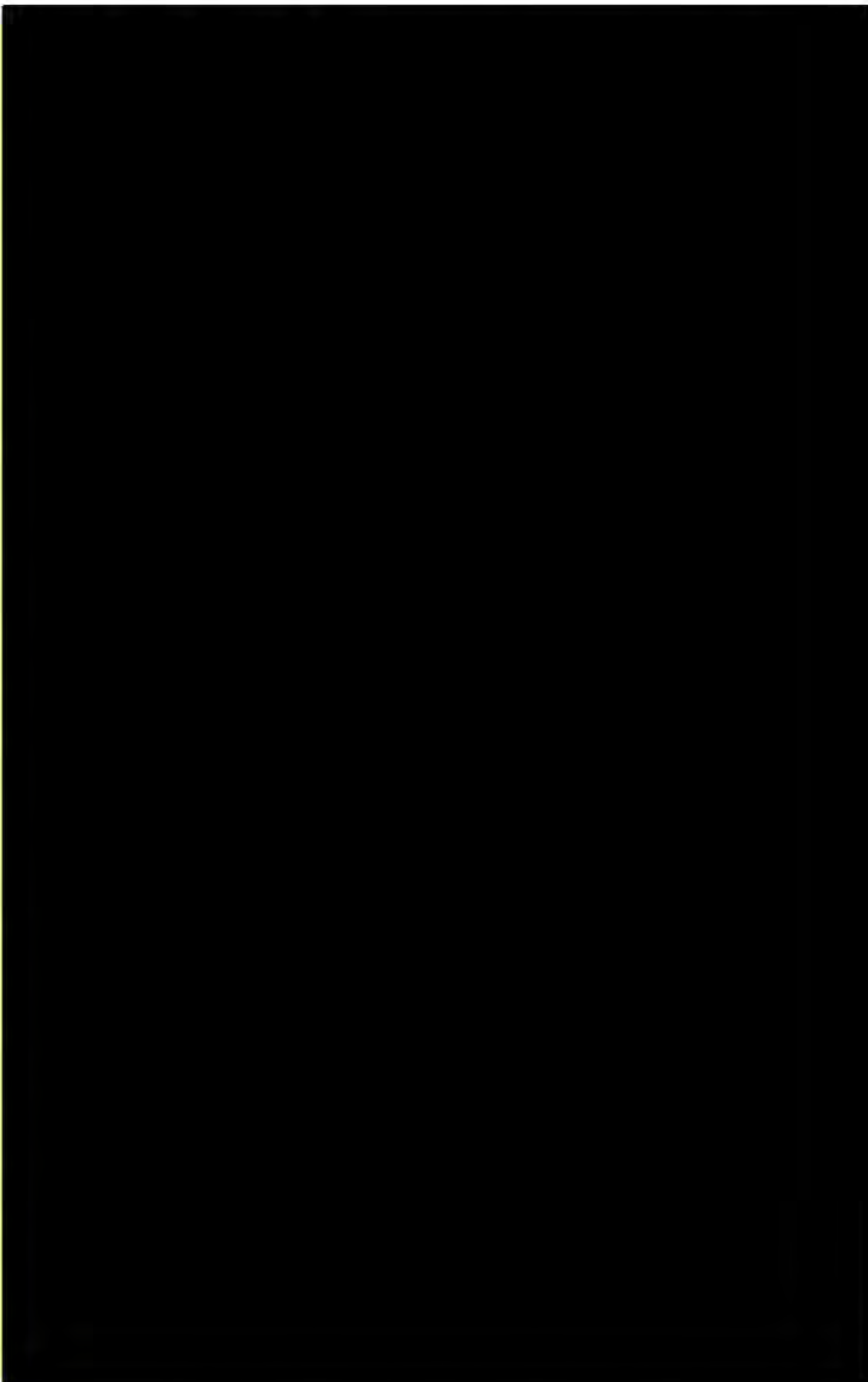
16 MS. ZORNBERG: At some -- I'm going to  
17 continue to object.

18 MS. GUERRIER: That's fine.

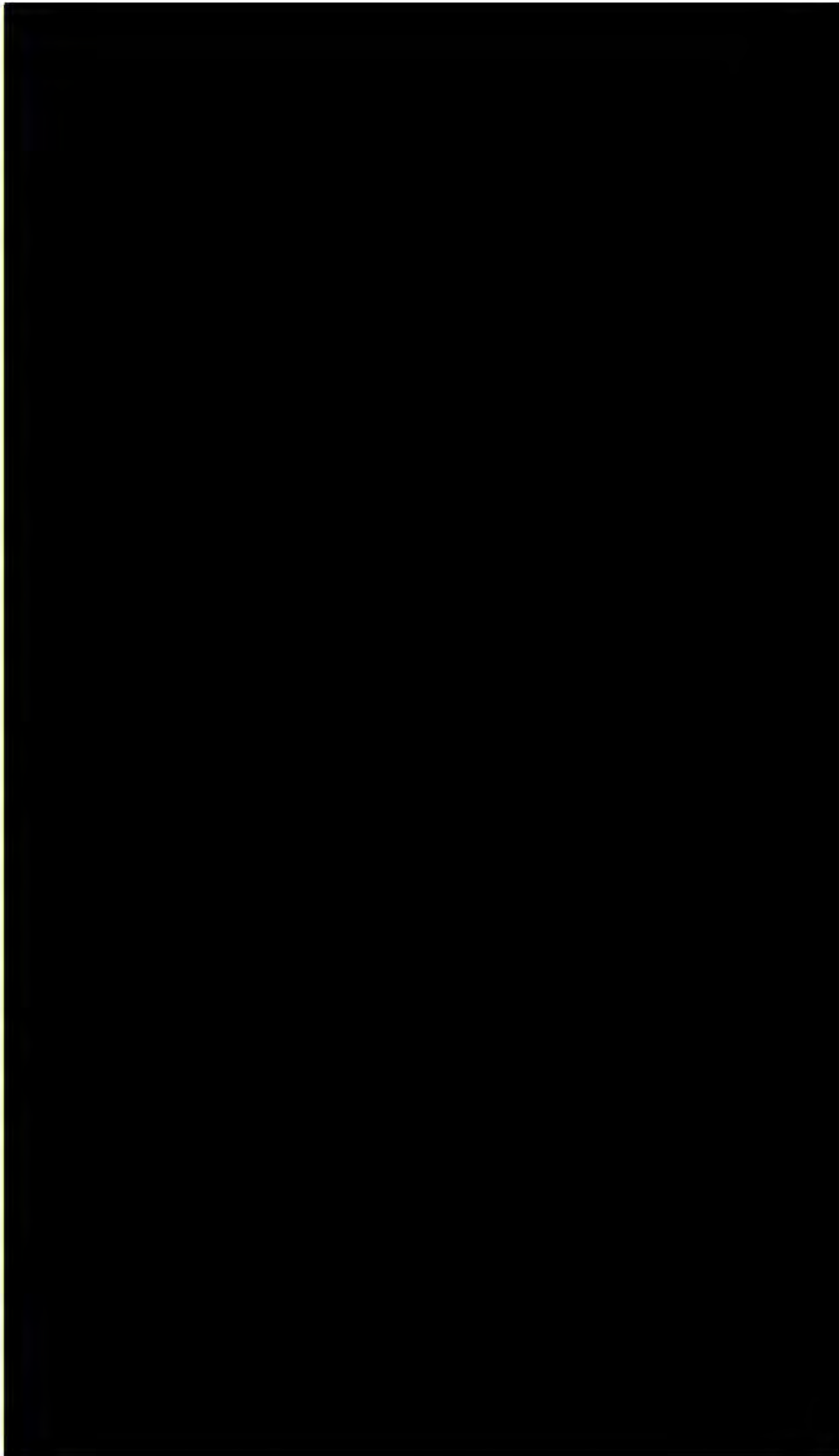
19 MS. ZORNBERG: And I think at some point,  
20 if there's absolutely no relevance and you're  
21 interrogating him about his current start-up, it  
22 starts to border on harassment. And so I would ask  
23 you to consider asking questions that are relevant  
24 to the actual case we're here for.

25 MS. GUERRIER: Okay. And I'll make that

1 determination of what I think is relevant for the  
2 case. But thank you.

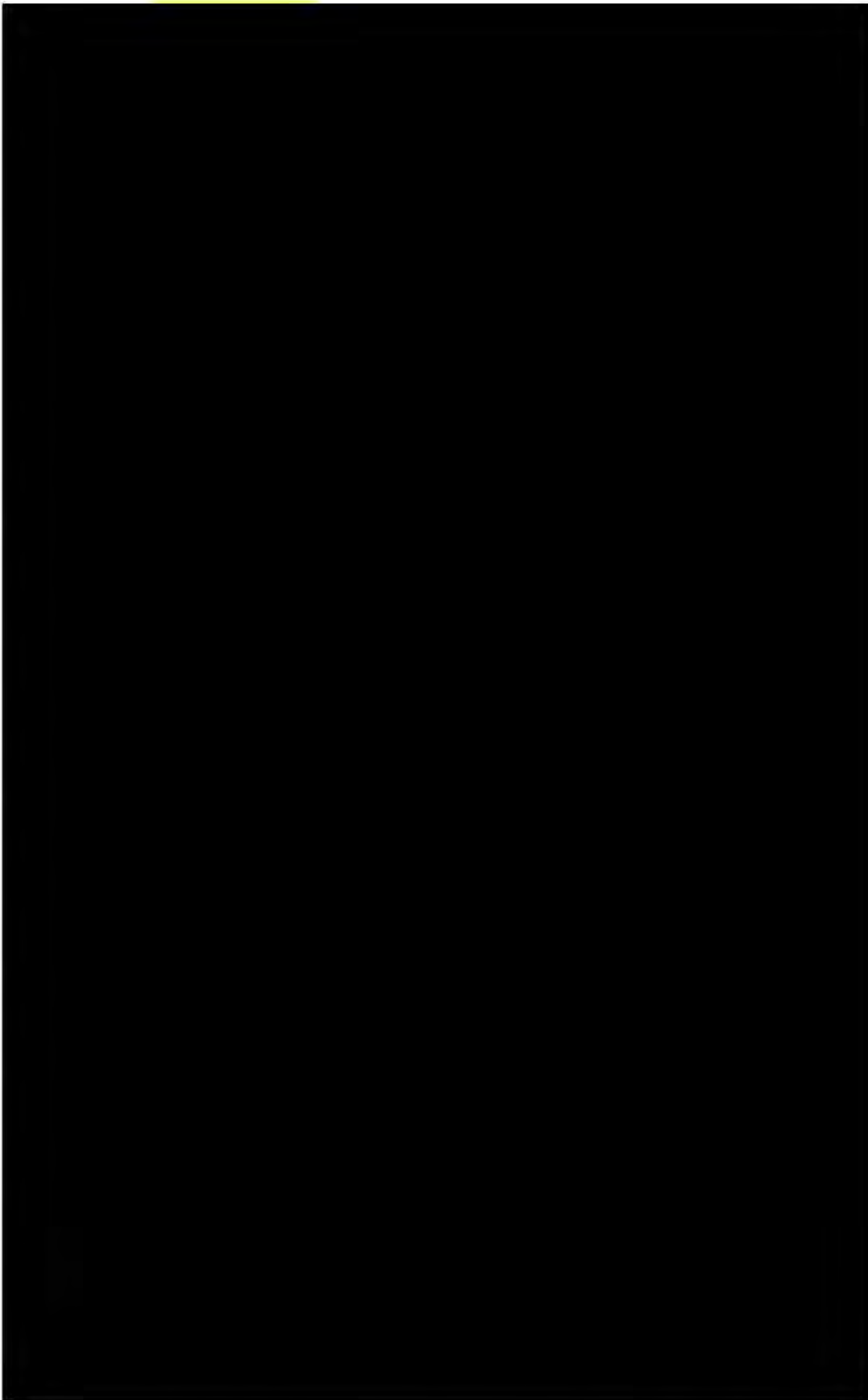


1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

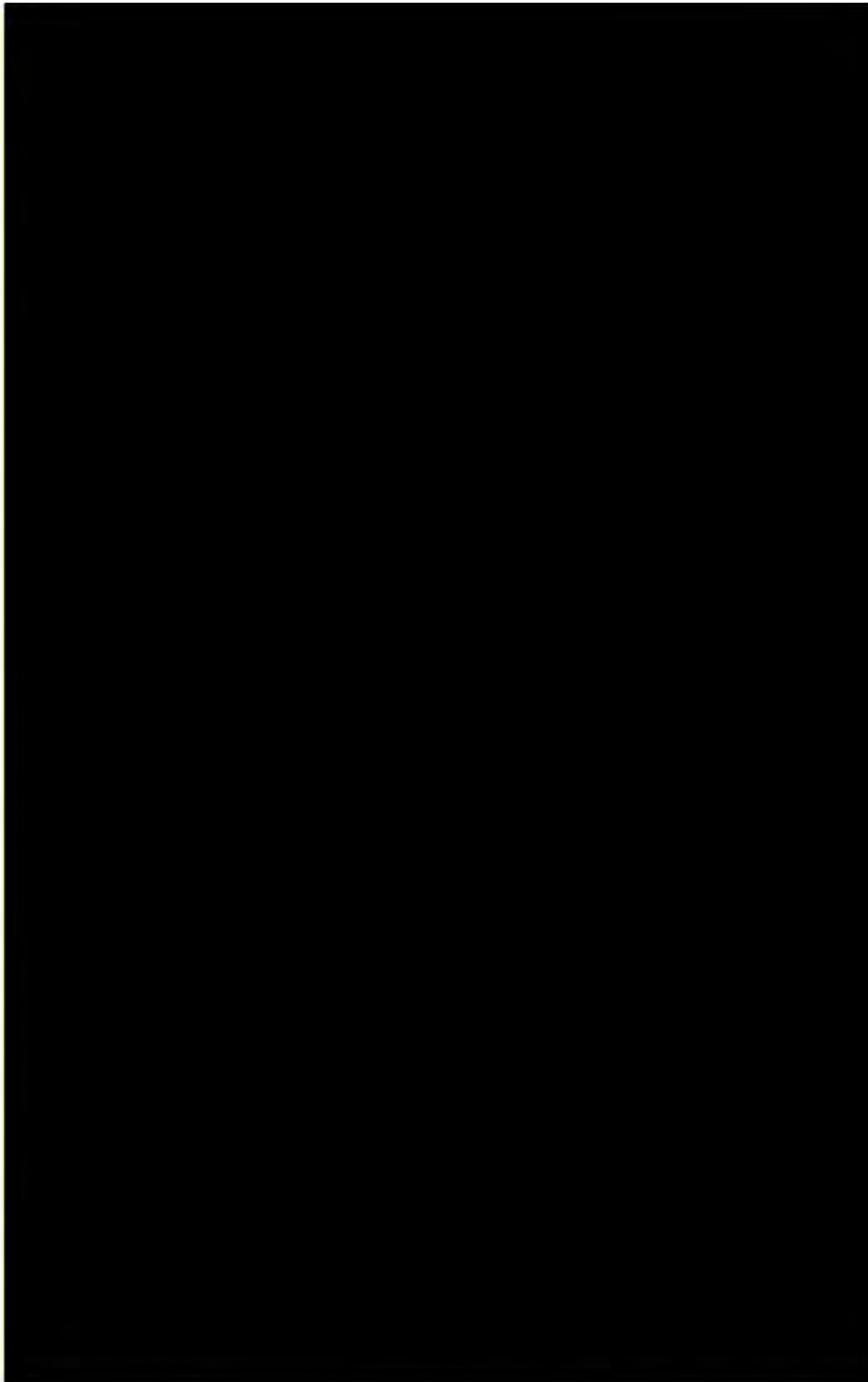




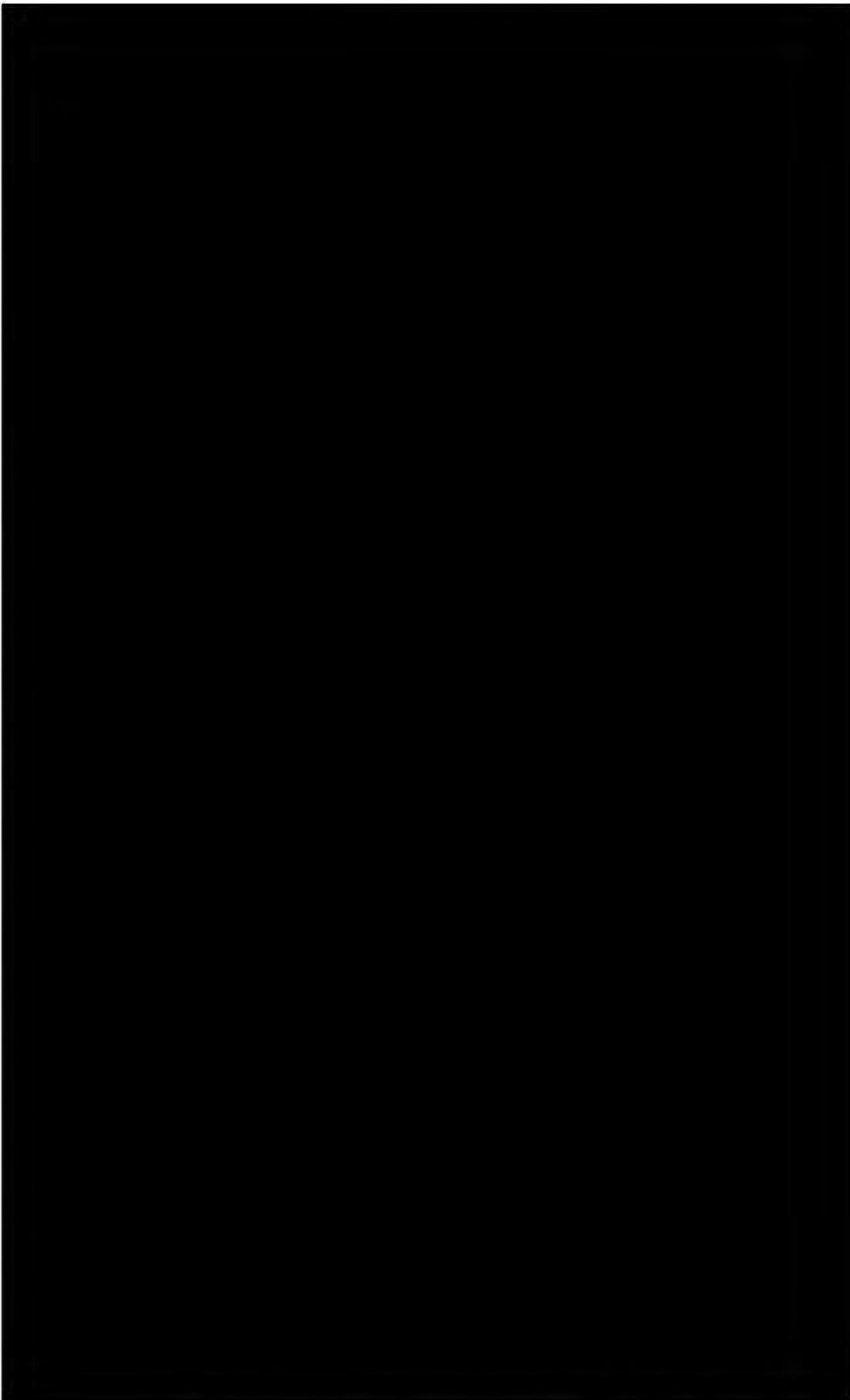
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



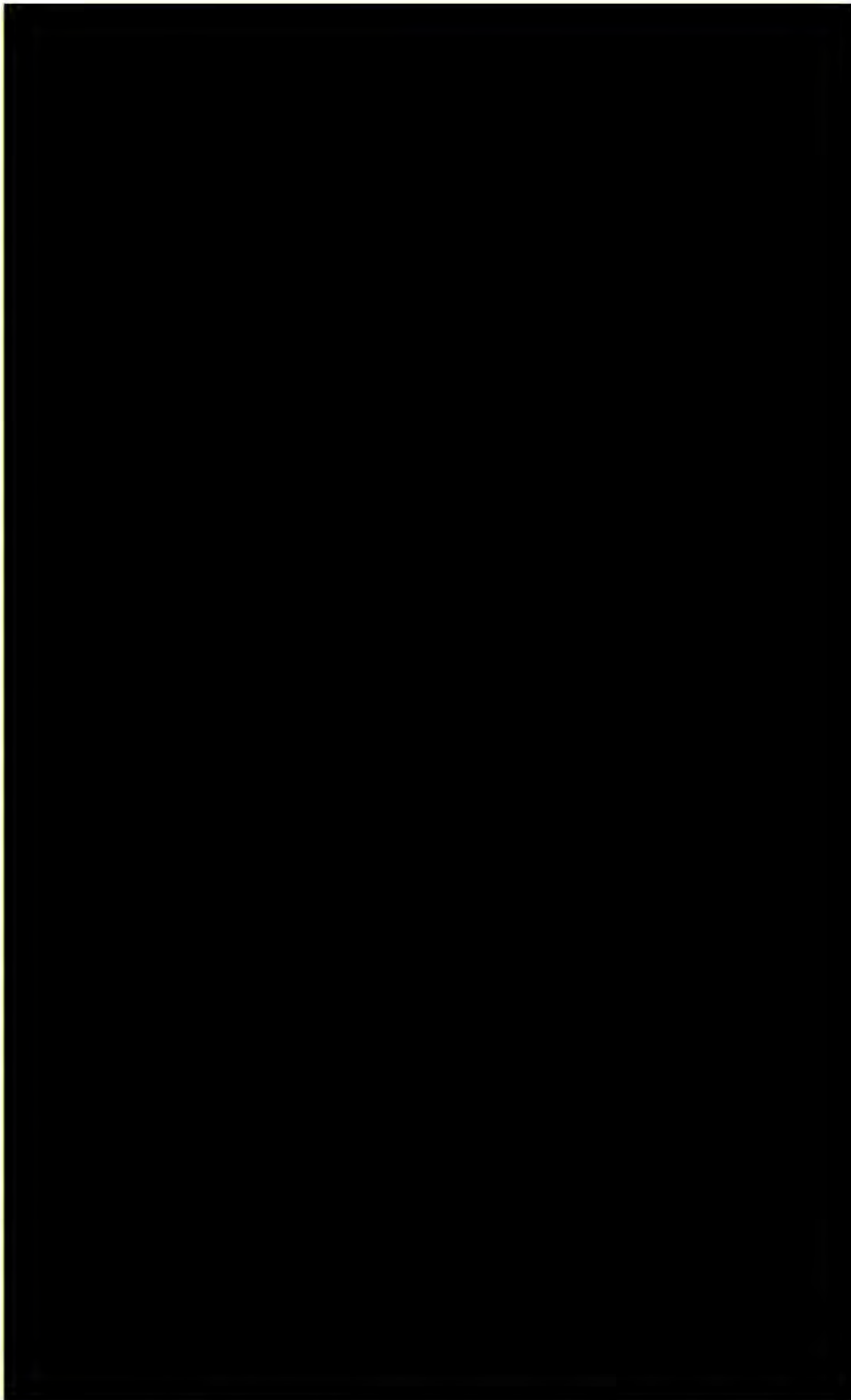
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



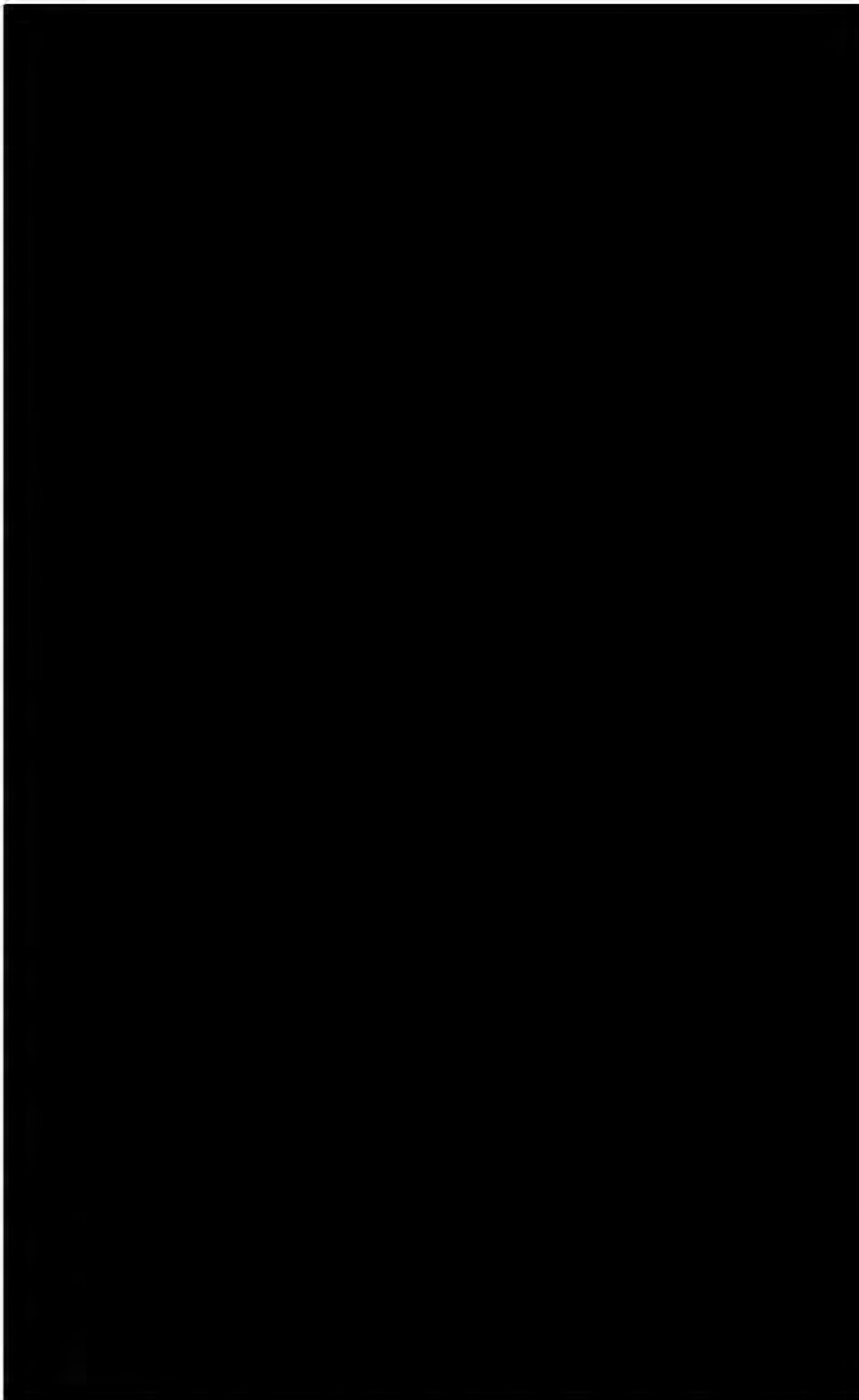
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



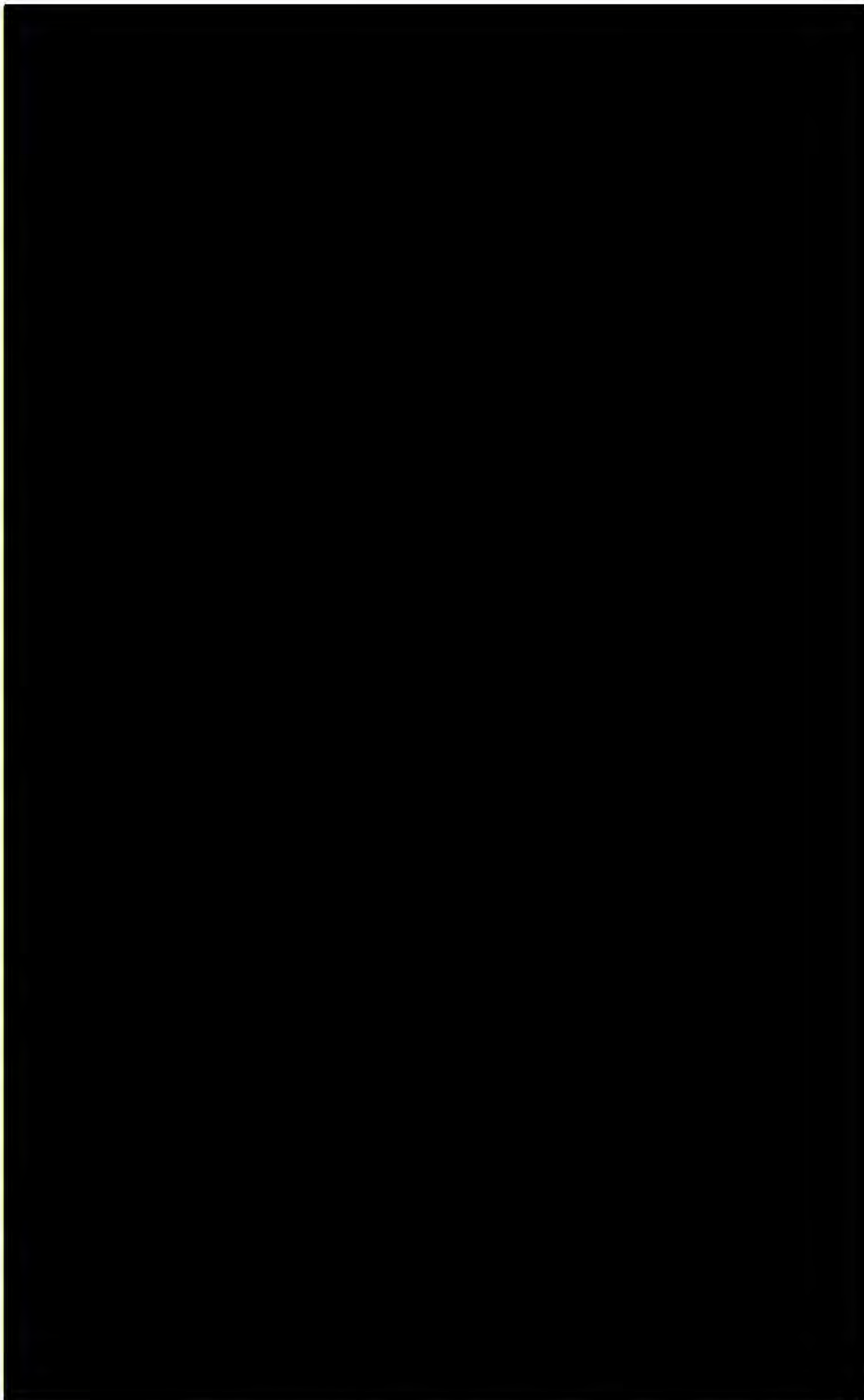
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



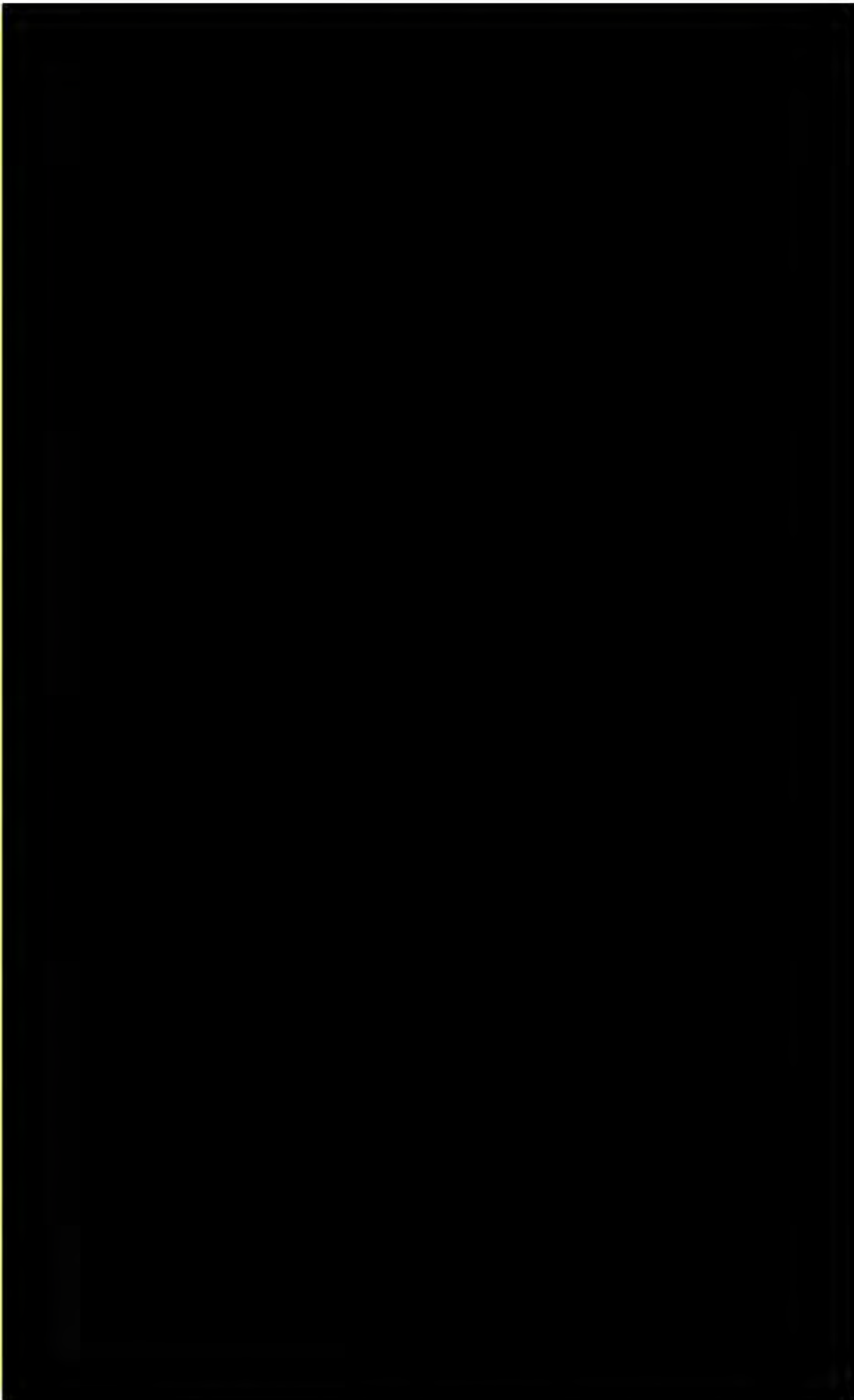
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

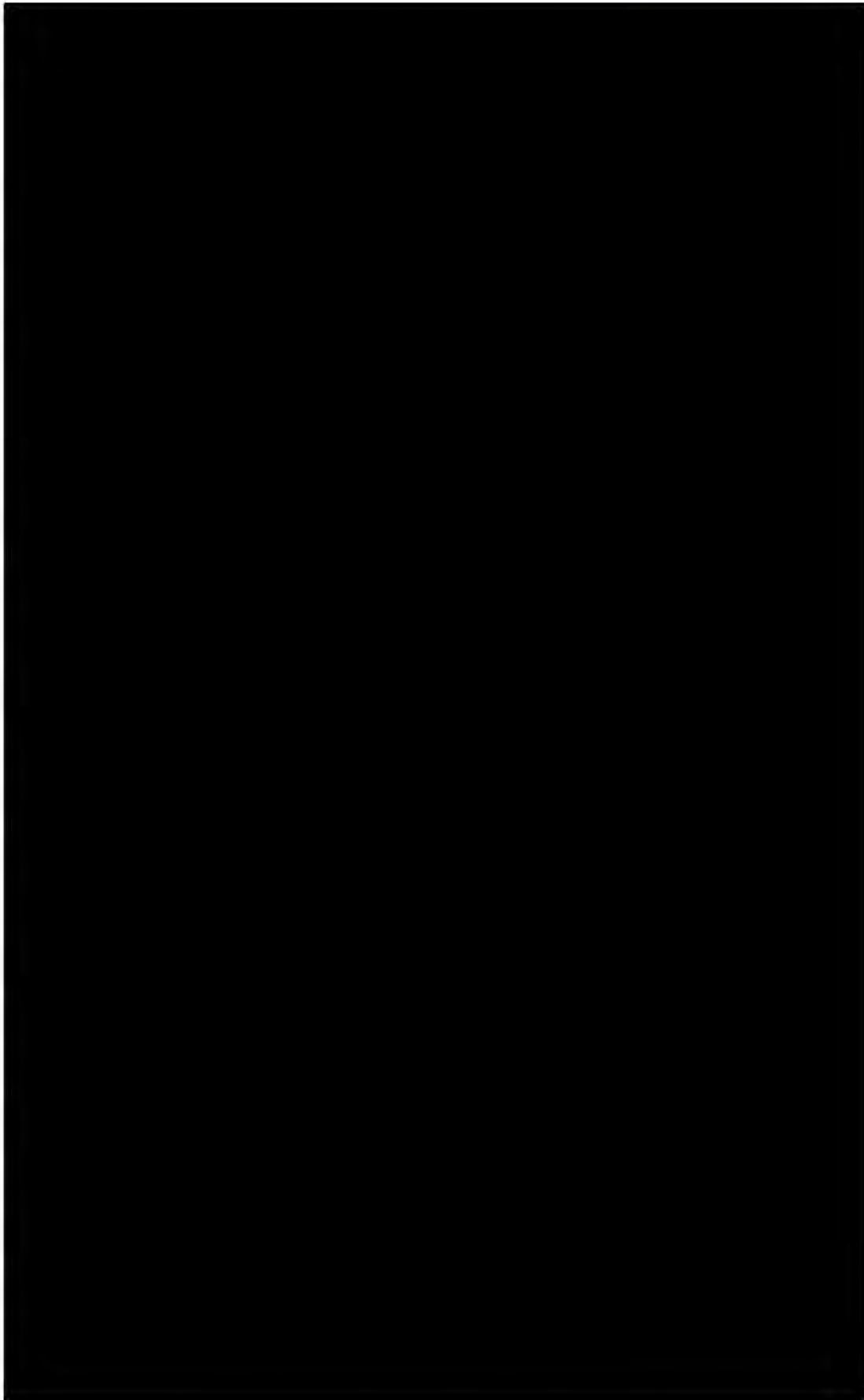


1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

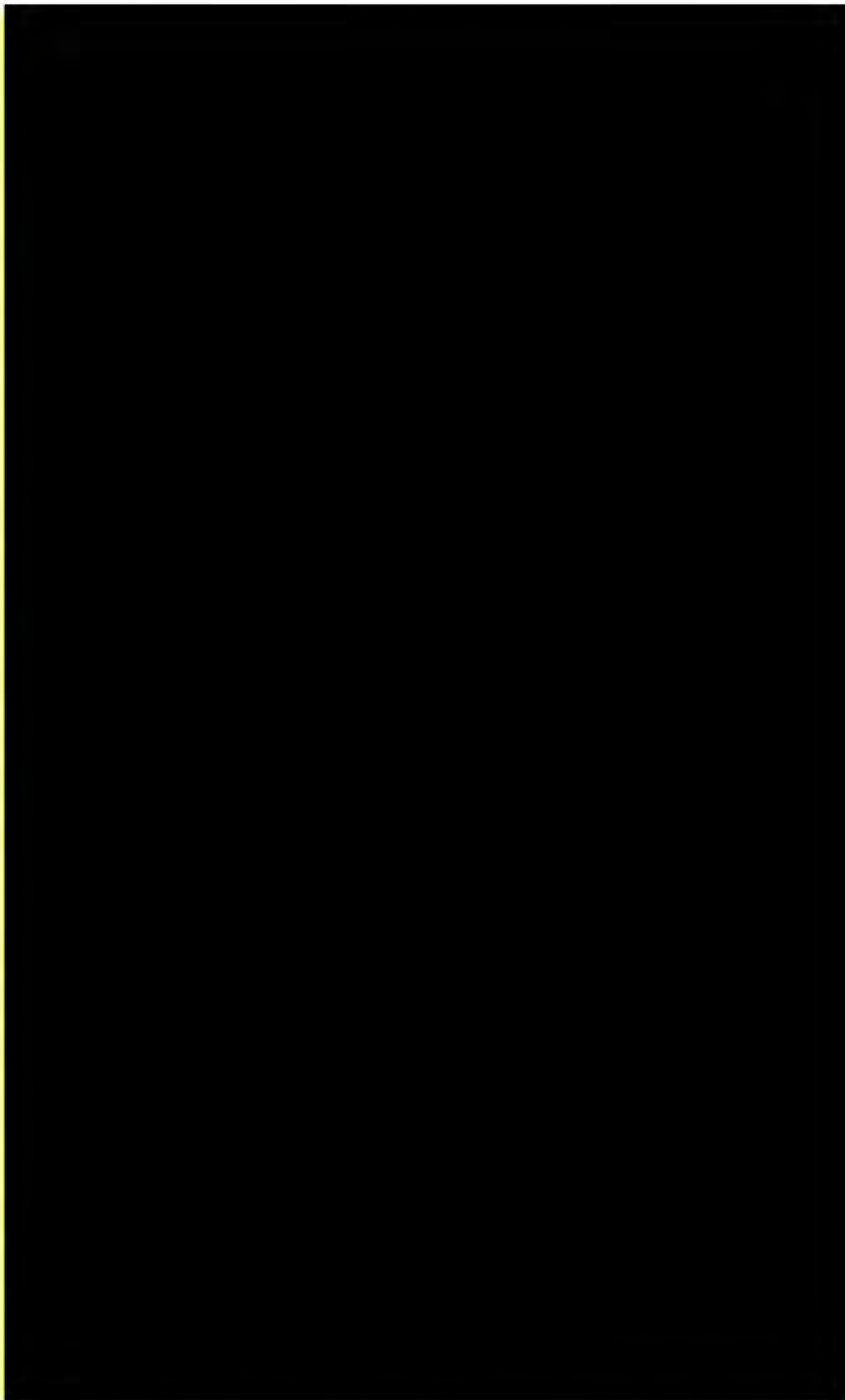




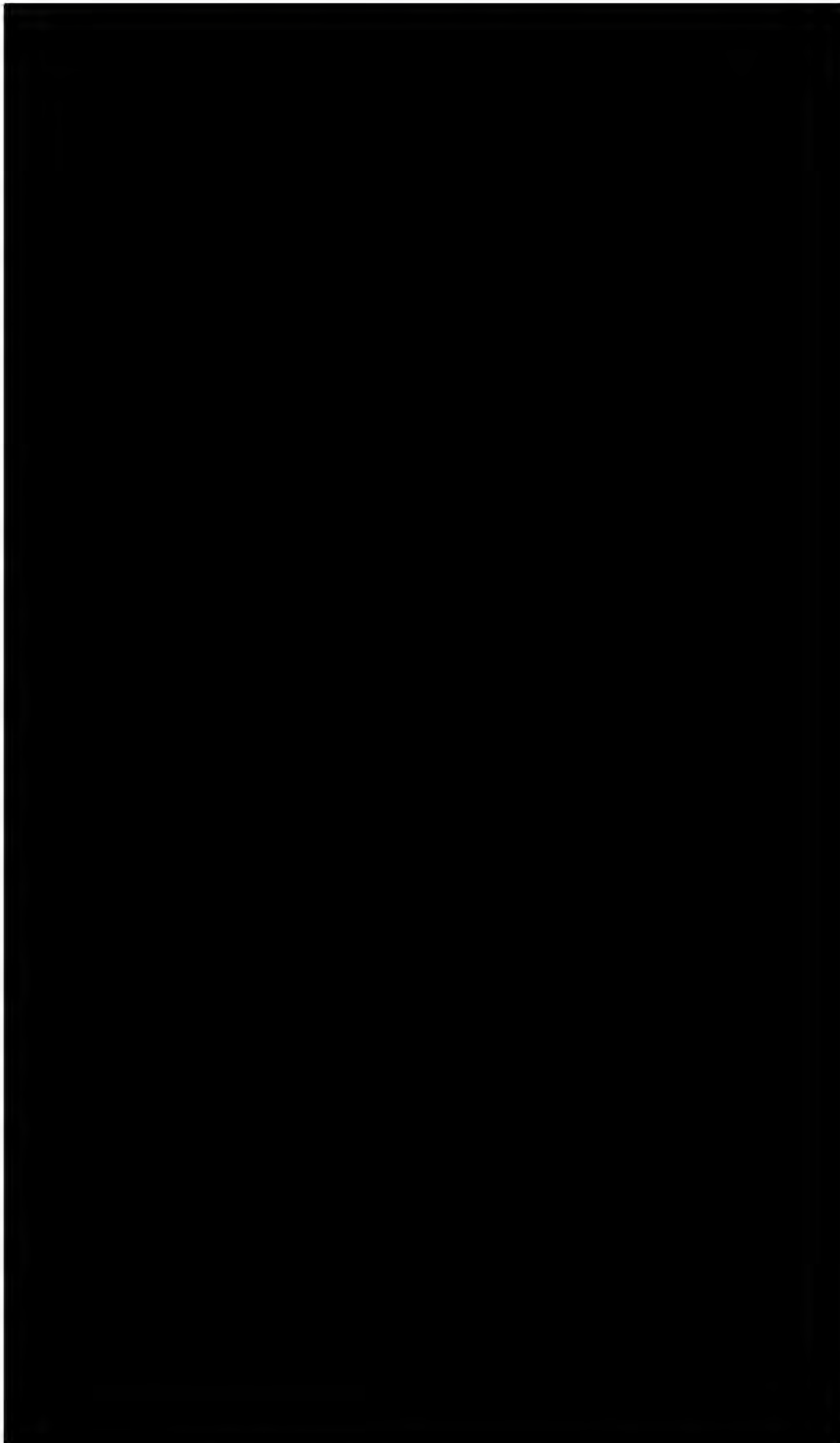
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



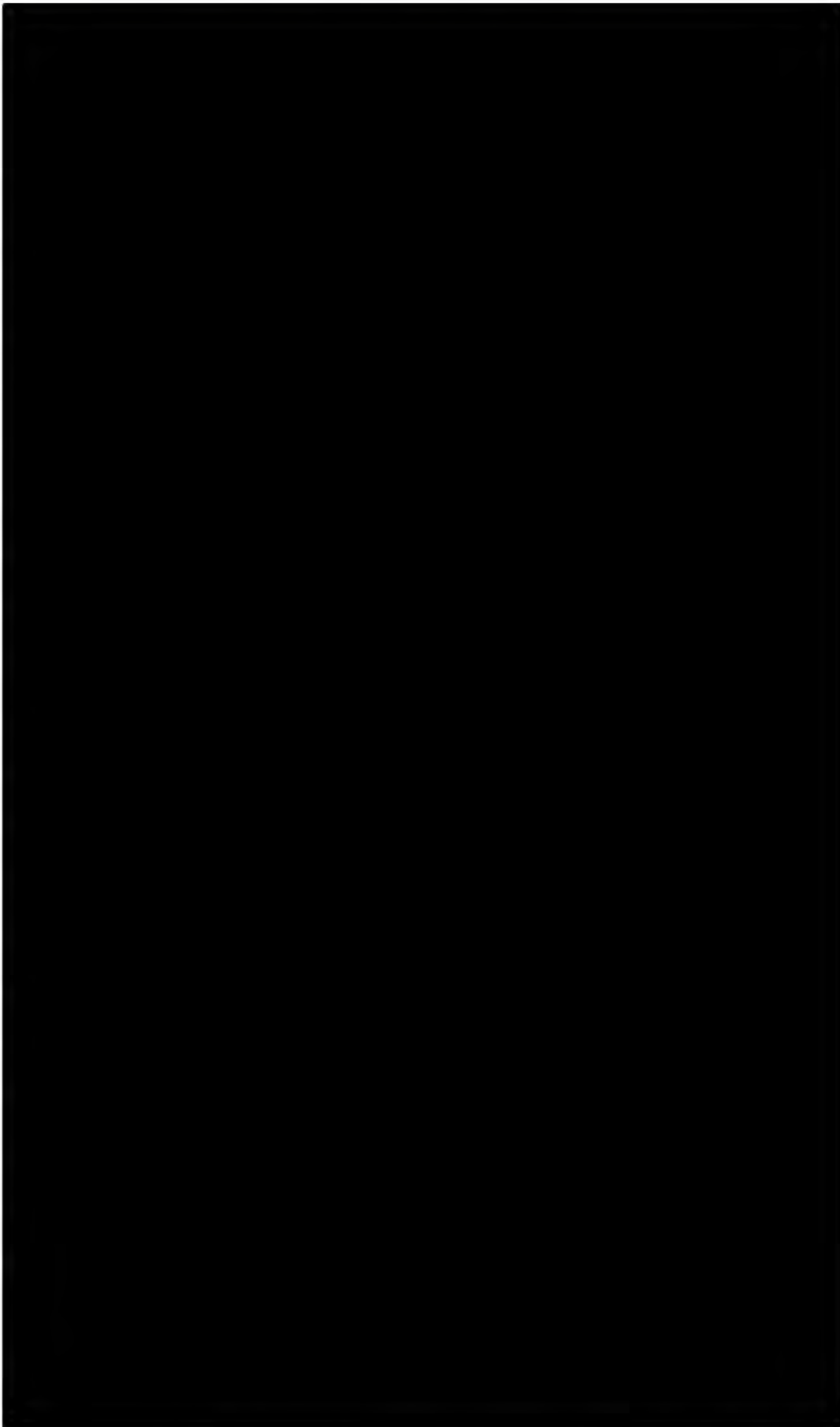
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



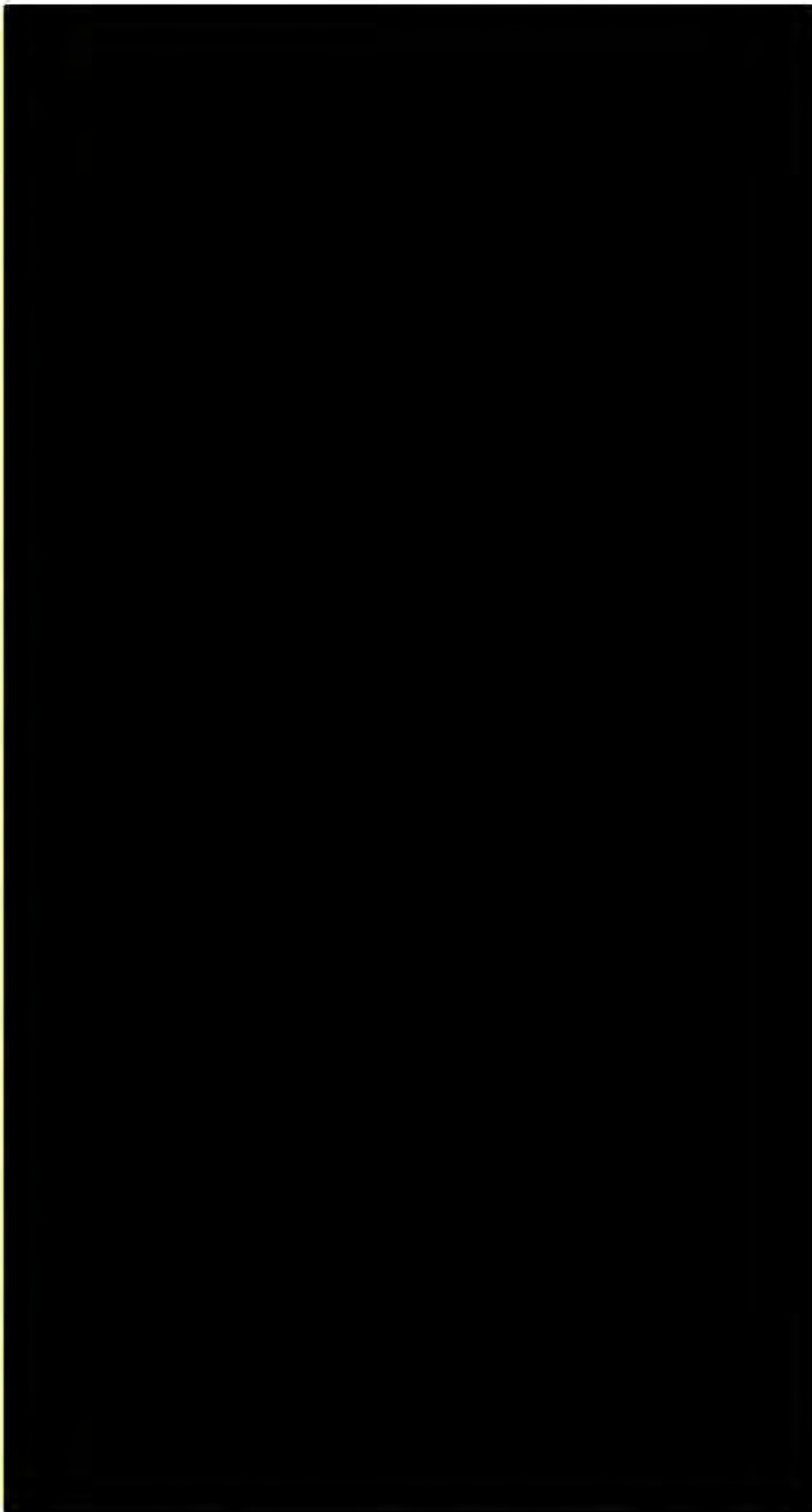
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1

2

Q. Where did you work prior to forming this company that you -- we just discussed?

3

4

A. I worked at Ripple.

5

6

Q. And do you recall what years or year you started working at Ripple?

7

A. I believe I started at Ripple in 2018.

8

Q. And what was your title at Ripple in 2018?

9

A. I was a senior vice president.

10

11

Q. Were you senior vice president of a particular department at Ripple?

12

A. Yes.

13

Q. What department?

14

15

A. It was a department called Xpring with an X.

16

Q. And how long were you senior VP at Xpring?

17

A. About two-and-a-half years.

18

19

Q. Okay. And what was your salary as senior VP at Xpring?

20

21

A. I don't know exactly. I think around [REDACTED]

22

23

Q. Was this based on U.S. dollars or something else?

24

A. My salary was U.S. dollars.

25

Q. Did you receive any bonus at Ripple as



1 senior VP?

2 A. Yes.

3 Q. And in what form was the bonus?

4 A. I received a bonus both in U.S. dollars  
5 and in XRP.

6 Q. Okay. Do you recall how much XRP you  
7 received in bonus?

8 MS. ZORNBERG: Can you clarify as to when?

9 BY MS. GUERRIER:

10 Q. Well, we're talking about when you started  
11 in 2018.

12 A. You mean to start my job?

13 Q. In 2018, do you recall how much XRP you  
14 received from Ripple?

15 A. Are you asking me how much XRP I received  
16 as a bonus in 2018?

17 Q. Yes.

18 A. I don't remember exactly 'cause it was not  
19 a full year of employment. So I would say --  
20 roughly call it [REDACTED] XRP.

21 Q. I'm sorry, how much?

22 A. [REDACTED]

23 Q. Okay. And did you receive any other XRP  
24 in bonus, other than the [REDACTED]?

25 A. In 2018?

1 Q. All -- your entire time at Ripple.

2 A. Yes.

3 MS. ZORNBERG: Can --

4 BY MS. GUERRIER:

5 Q. Okay. And how much did you receive in XRP  
6 during your entire time at Ripple?

7 MS. ZORNBERG: As bonus?

8 MS. GUERRIER: Yes.

9 THE WITNESS: I don't know the exact  
10 numbers.

11 BY MS. GUERRIER:

12

13

14

15

16

17

18

19

20

21

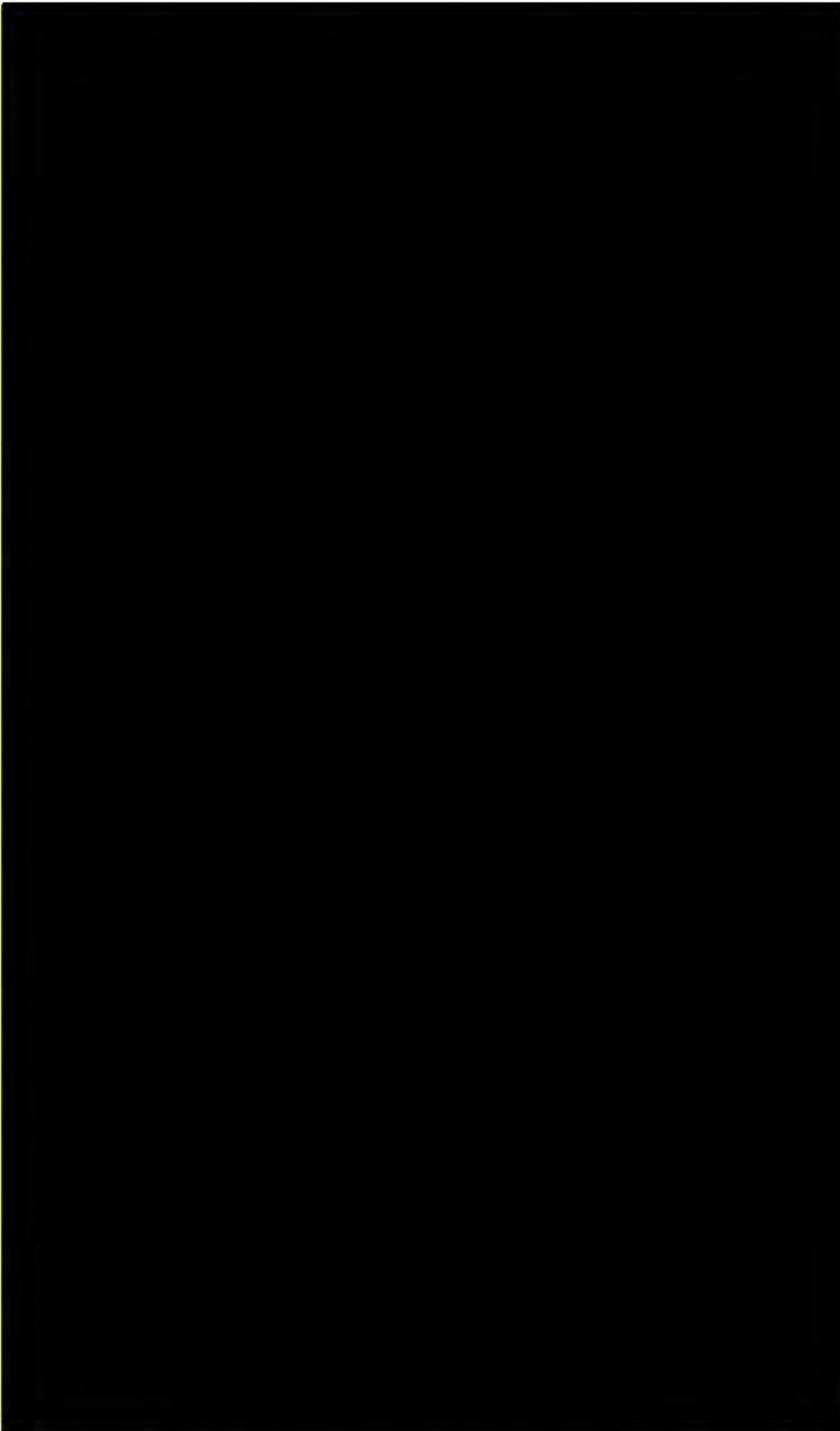
22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5 BY MS. GUERRIER:

6 Q. Did your title ever change at any time  
7 when you worked at Xpring?

8 A. No.

9 Q. Okay. Did you report to anyone at Ripple  
10 when you worked at Xpring?

11 A. Yes.

12 Q. Who did you report to?

13 A. Brad Garlinghouse.

14 Q. And who is Brad Garlinghouse?

15 A. He is the CEO of Ripple.

16 Q. Who interviewed you for your position at  
17 Xpring?

18 A. There were a number of people I  
19 interviewed with. I interviewed with Brad. I  
20 interviewed with David Schwartz. I interviewed with  
21 [REDACTED]. I interviewed with Asheesh Birla. I  
22 interviewed with Ron Will.

23 That's the ones I can remember.

24 Q. What did Mr. Garling -- if anything -- did  
25 Mr. Garlinghouse tell you about what your duties

1 were going to be at Xpring?

2 A. You want --

3 MS. ZORNBERG: Prior -- just can you fix a  
4 time?

5 BY MS. GUERRIER:

6 Q. Well, we're talking about your interview.

7 A. You want the contents of all of our --

8 Q. No.

9 A. -- substantive -- of all our discussions?

10 Q. If you -- what -- let me just repeat the  
11 question.

12 What did Mr. Garlinghouse, if anything,  
13 did he tell you about what your duties were going to  
14 be at Xpring when you interviewed?

15 A. He explained what the general role and  
16 goals for Xpring were, as well as specifics around  
17 what my team would be, where I'd be working, how  
18 much I'd be getting paid, what the vision for the  
19 company looked like.

20 Q. Okay. So what did you -- he tell you  
21 about what your specific role was going to be?

22 A. My specific role was leading the Xpring  
23 team and initiative.

24 Q. And you also stated that he told you what  
25 the specific visions for the company was going to



1 be --

2 MS. ZORNBERG: Object to form.

3 BY MS. GUERRIER:

4 Q. -- is that correct?

5 A. We spent -- a spent a lot of time talking  
6 with Brad prior to joining to understand the company  
7 and the team and the role. And so we had broad,  
8 wide-ranging conversations.

9 Q. You had conversations prior to the actual  
10 interview for Xpring with Brad?

11 MS. ZORNBERG: Object to form. Maybe can  
12 you -- can you clarify, was -- did you consider  
13 there to be a formal interview with Brad or --

14 MS. GUERRIER: Okay. Let --

15 THE WITNESS: It was -- it was a wide --  
16 like I've known Brad for a very long time, and so  
17 I've had conversations with Brad for many, many  
18 years.

19 BY MS. GUERRIER:

20 Q. When did you start talking with Brad about  
21 the position that you ultimately got at Xpring?

22 A. I think early 2018.

23 Q. And what was the nature of these  
24 conversations?

25 MS. ZORNBERG: Object to form. Asked and



1 answered.

2 THE WITNESS: They were about what Ripple,  
3 the company, is building, the vision for Ripple, the  
4 company, what the vision was around Xpring, and the  
5 specifics around what it would look like to take on  
6 that initiative.

7 BY MS. GUERRIER:

8 Q. And what did you speak with Brad about  
9 regarding what the company was building?

10 MS. ZORNBERG: Object to form.

11 THE WITNESS: Can you be more specific?

12 BY MS. GUERRIER:

13 Q. Did you have specific discussions with  
14 Brad about what the company was building when you  
15 had these conversations as part of your interview?

16 MS. ZORNBERG: Object to form.

17 THE WITNESS: Yes.

18 BY MS. GUERRIER:

19 Q. So what were the conversations regarding  
20 what the company was building?

21 A. For me, it was trying to understand what  
22 Ripple is as a company. I want to be thoughtful  
23 about where I invest my time and energy, and so I  
24 wanted to understand what is -- what is Ripple  
25 building, how is it thinking about the markets, the

1 industry, the products.

2 Q. And what did Mr. Garlinghouse tell you  
3 about what the company was building when you were  
4 speaking to them in that capacity?

5 A. I don't remember the specifics. And I  
6 will say, having then gone to work at Ripple, my --  
7 in my mind, what Ripple is building is very much  
8 clouded -- clouded or -- very much a result of  
9 where -- having spent two-and-a-half years there.

10 So it was very much around building  
11 cross-border payments, trying to fix a broken  
12 payments industry, trying to build a global  
13 technology business.

14 Q. Were these the conversations prior to  
15 being employed officially by Ripple?

16 A. I don't recall the specifics of the  
17 conversations prior.

18 Q. Okay. Did anyone report to you at Ripple  
19 beginning in 2018?

20 A. Yes.

21 Q. And who reported to you?

22 A. [REDACTED] and [REDACTED].

23 Q. Did [REDACTED] have a title?

24 A. I believe so.

25 Q. Do you recall what his title was in 2018?

1 A. I don't.

2 Q. How about [REDACTED] did he have a  
3 title?

4 A. I'm sure he did. I don't remember what it  
5 was.

6 Q. What was [REDACTED] job at Ripple in  
7 2018?

8 A. Prior to me joining?

9 Q. When you joined. We're now talking about  
10 when you started working there.

11 A. [REDACTED] was there before I was there.

12 Q. Right. And I asked you who -- did he  
13 report to you.

14 A. When I joined, he started to report to me.

15 Q. Okay. So what was his job when -- what  
16 was his job when you started working there?

17 A. His job was to identify companies,  
18 primarily technology companies that, we could  
19 potentially partner with and putting together those  
20 partnerships.

21 Q. And [REDACTED] what was his job in  
22 reporting to you?

23 A. [REDACTED] was a software engineer.

24 MS. ZORNBERG: At any point you need to  
25 take a morning break, just let me know.



1 THE WITNESS: Okay. Thanks.

2 BY MS. GUERRIER:

3 Q. Now, prior to working at Ripple, did you  
4 have any experience working with digital assets?

5 A. Yes.

6 Q. And where did you obtain this experience  
7 working with digital assets?

8 A. I had invested in some companies that were  
9 working in the cryptocurrency space.

10 Q. Okay. What companies?

11 A. A company called [REDACTED] and a company  
12 called -- at the time, called [REDACTED].

13 Q. Do you recall when you invested in [REDACTED]

14 [REDACTED]

15 A. Not specifically, no.

16 Q. Okay. And the company called [REDACTED] do  
17 you recall when you invested?

18 A. I don't.

19 Q. Did you keep your investment with [REDACTED]  
20 [REDACTED] after you started working with Ripple?

21 A. Yes. Both of those investments were in  
22 private companies. So it's not possible to not be  
23 an investor.

24 Q. Okay. Did you have any experience dealing  
25 with blockchain technology prior to working for

1 Ripple?

2 A. Yes.

3 Q. What was your experience in dealing with  
4 blockchain technology, prior to working for Ripple?

5 A. I would characterize it as a casual  
6 interest in learning and understanding about a new  
7 technology.

8 Q. Did you take any courses specific to  
9 blockchain technology?

10 A. No.

11 Q. Can you briefly state your educational  
12 experience?

13 A. Sure. I got an undergraduate from the  
14 University of Pennsylvania with a Bachelor of  
15 Science in economics. I got an MBA from New York  
16 University.

17 Q. What year did you get your MBA from New  
18 York University?

19 A. I graduated from NYU in 2003.

20 Q. And your degree in -- you said economics?

21 A. (Nods head.)

22 Q. What year did you obtain that degree?

23 A. I graduated from the University of  
24 Pennsylvania in 1994.

25 Q. I believe you testified you reported to

1 Mr. Garlinghouse at Ripple?

2 A. Yes.

3 Q. Who else -- did you report to anyone else  
4 other than Mr. Garlinghouse at Ripple?

5 A. No.

6 Q. Do you know a Christian Larsen?

7 A. Yes.

8 Q. Did you report to him at all at Ripple?

9 A. No.

10 Q. Did you interact with him in terms of your  
11 job at Ripple?

12 MS. ZORNBERG: Object to form.

13 THE WITNESS: Can you be more -- clarify  
14 what you mean like in terms of your job?

15 BY MS. GUERRIER:

16 Q. Sure.

17 In your capacity as senior VP at -- of  
18 Xpring, did you work with Mr. Larsen?

19 MS. ZORNBERG: Object to form.

20 You can answer.

21 THE WITNESS: What do you -- what do you  
22 mean by "work with"?

23 BY MS. GUERRIER:

24 Q. Did you have any business relationships at  
25 Ripple with Mr. Larsen?



1 MS. ZORNBERG: Object to form.

2 You can answer.

3 THE WITNESS: I'm still not sure. What do  
4 you mean by "business relationships."

5 BY MS. GUERRIER:

6 Q. Did Mr. Larsen and you discuss any  
7 Ripple-related matters in the capacity of -- of the  
8 business, meaning that as you as senior VP and him  
9 in his capacity at Ripple?

10 A. Yes.

11 Q. And what types of conversations would you  
12 have with Mr. Larsen regarding Ripple?

13 MS. ZORNBERG: Object to form.

14 You can answer.

15 THE WITNESS: My interactions with  
16 Mr. Larsen were infrequent and generally giving him  
17 a high-level perspective on what we were doing with  
18 the Xpring initiative.

19 BY MS. GUERRIER:

20 Q. Did you report to anyone else other than  
21 Mr. Garlinghouse?

22 A. No.

23 Q. Did you have weekly meetings where  
24 Mr. Garlinghouse was present when you worked at  
25 Ripple?

1 MS. ZORNBERG: Object to form.

2 THE WITNESS: We had weekly scheduled  
3 meetings, yes.

4 BY MS. GUERRIER:

5 Q. Okay. And did Mr. Garlinghouse attend  
6 those meetings?

7 MS. ZORNBERG: Object to form.

8 THE WITNESS: Not 100 percent of them.

9 BY MS. GUERRIER:

10 Q. Did anyone from your team attend those  
11 meetings?

12 MS. ZORNBERG: Object to form and would  
13 ask you to clarify which meetings you're talking  
14 about.

15 BY MS. GUERRIER:

16 Q. Do you understand the question?

17 A. I understand the words. When you say  
18 "these meetings," which meetings do you refer to?

19 Q. We were -- okay. I asked you if you had  
20 weekly meetings --

21 A. Yes.

22 Q. -- and you said yes.

23 A. Yes.

24 Q. So did anyone working under you attend  
25 these weekly meetings?

1 MS. ZORNBERG: Object to form. I think  
2 the source of confusion is whether you had asked  
3 previously about meetings with Mr. Garlinghouse or  
4 meetings with his Xpring team.

5 BY MS. GUERRIER:

6 Q. Okay. Did anyone who worked with you on  
7 the Xpring team attend these weekly meetings?

8 MS. ZORNBERG: Object to form.

9 THE WITNESS: Rarely.

10 BY MS. GUERRIER:

11 Q. So who attended the weekly meetings that  
12 Ripple had?

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: So I probably had 20 weekly  
15 meetings on my calendar every week, if not more.  
16 There were -- the weekly meeting that I would say  
17 most consistently had Mr. Garlinghouse in it was the  
18 weekly Ripple leadership meeting.

19 BY MS. GUERRIER:

20 Q. Were there any other types of meetings --

21 A. And then --

22 MS. ZORNBERG: Object to form.

23 THE WITNESS: Types of meeting with  
24 Mr. Garlinghouse?

25 MS. GUERRIER: If you could let me finish

1 the question, I would, you know ...

2 Q. Were there other types of meetings where  
3 Mr. Garlinghouse would be present, other than the  
4 weekly leadership meetings?

5 MS. ZORNBERG: Objection.

6 THE WITNESS: I had a weekly-ish  
7 one-on-one with Brad.

8 BY MS. GUERRIER:

9 Q. Any other meetings formal with  
10 Mr. Garlinghouse, other than the leadership meetings  
11 and the one-on-one meetings?

12 MS. ZORNBERG: Object to form. Please fix  
13 a time. Are you asking about weekly? It's not  
14 clear.

15 BY MS. GUERRIER:

16 Q. I'm talking about the weekly meetings  
17 which I specifically stated --

18 MS. ZORNBERG: Objection to the use of the  
19 term "weekly meeting" which has been undefined and  
20 you haven't set a foundation.

21 MS. GUERRIER: Okay.

22 BY MS. GUERRIER:

23 Q. Can you answer the question?

24 A. Can you repeat the question?

25 MS. GUERRIER: Could you please repeat the



1 question.

2 (Record read by the reporter  
3 as follows:

4 "QUESTION: Any other  
5 meetings formal with  
6 Mr. Garlinghouse, other than the  
7 leadership meetings and the  
8 one-on-one meetings?")

9 MS. ZORNBERG: Object to form.  
10 You can answer if you understand "formal  
11 meetings."

12 THE WITNESS: Yeah. I'm just trying to  
13 understand how -- what exactly are you asking?

14 BY MS. GUERRIER:

15 Q. Well, let me try this.

16 A. Yeah.

17 Q. What types of meetings did you participate  
18 in when you worked at Ripple?

19 A. Oh, that's a very challenging -- I -- all  
20 I did was meetings. That was my job. So I had  
21 meetings that were product meetings. I had meetings  
22 that were HR meetings. I had meetings that were  
23 communications meetings. I had meetings that were  
24 finance meetings. I had meetings that were  
25 engineering meetings. I had off sites. I had

1 leadership meetings. I had one-off meetings to talk  
2 about a specific topic.

3 I met with companies from outside of  
4 Ripple. I had meetings with my executive assistant  
5 to help me stay coordinated. I had meetings around  
6 travel. I had meetings around weekly planning and  
7 monthly planning and quarterly planning. I had  
8 meetings to prepare for meetings.

9 Q. So out of all the meetings that you named,  
10 which were the meetings that -- where  
11 Mr. Garlinghouse was present?

12 A. I wouldn't say --

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: -- categorize any one of  
15 them as -- the meetings that I had regularly with  
16 Brad were the weekly leadership meeting and my  
17 one-on-one.

18 BY MS. GUERRIER:

19 Q. Okay.

20 MS. ZORNBERG: If this is a convenient  
21 time just to take a morning break, let us know if  
22 there's a --

23 MS. GUERRIER: I just have one --

24 MS. ZORNBERG: Please.

25 MS. GUERRIER: -- to wrap up this and then



1 we can take a break.

2 BY MS. GUERRIER:

3 Q. Were any of the meetings that you had with  
4 Mr. Garlinghouse, were they recorded, to your  
5 knowledge?

6 A. Not to my knowledge.

7 Q. Okay. And any of the product meetings  
8 that you had, do you know if they were recorded?

9 A. Not that I'm aware of.

10 Q. Okay. Any other remaining universe of  
11 meetings that you identified, do you know if they  
12 were recorded at all?

13 A. I think occasionally my -- my team Xpring  
14 weekly all-hands meeting was recorded, because as we  
15 got larger and we were in different time zones, it  
16 became more challenging for people to attend the  
17 meeting.

18 Q. Okay.

19 MS. GUERRIER: We can take a break.

20 THE VIDEOGRAPHER: Okay. Off the record  
21 at 9:56 a.m.

22 (Whereupon, a recess was taken.)

23 THE VIDEOGRAPHER: This is the start of  
24 file number 2. We're back on the record at  
25 10:09 a.m.

1 BY MS. GUERRIER:

2 Q. Mr. Beard, I think we talked about the  
3 Xpring initiatives earlier. Can you describe what  
4 the Xpring initiatives is?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: Yes.

7 BY MS. GUERRIER:

8 Q. What is the Xpring initiative?

9 A. The Xpring initiative was an initiative to  
10 build an ecosystem of companies that were building  
11 on XRP Ledger.

12 Q. Was there any long-term goal for achieving  
13 the Xpring initiative?

14 MS. ZORNBERG: Object to form.

15 THE WITNESS: A long-term -- our goal was  
16 to have a lot of companies building on XRP Ledger.

17 BY MS. GUERRIER:

18 Q. And did your role as SVP of Xpring have  
19 any influence in reaching this goal.

20 MS. ZORNBERG: Object to form.

21 THE WITNESS: I managed the team that was  
22 trying to achieve that goal.

23 MS. GUERRIER: I have in my hand a  
24 document premarked as Exhibit 2.

25 / /

1 (Whereupon, Deposition Exhibit EB-2  
2 was marked for identification.)

3 MS. ZORNBERG: I'm sorry, do you want me  
4 to hand this one to the witness? Oh.

5 ZOOM PARTICIPANT: What exhibit number is  
6 this?

7 MS. GUERRIER: Exhibit 2.

8 MR. MOYE: EB-2.

9 BY MS. GUERRIER:

10 Q. And it's an email --

11 ZOOM PARTICIPANT: EB what?

12 MS. GUERRIER: EB-2.

13 ZOOM PARTICIPANT: Thank you.

14 BY MS. GUERRIER:

15 Q. It's an email from Brad Garlinghouse to  
16 you dated May 8th, 2018.

17 Do you see that?

18 I'll give you an opportunity to just take  
19 a look at that and let me know when you're done.

20 A. Okay.

21 Q. Do you know why Mr. Garlinghouse sent you  
22 this document?

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: No.

25 / /

1 BY MS. GUERRIER:

2 Q. Okay. Do you have a general understanding  
3 of what this Exhibit 2 is?

4 A. Yes.

5 Q. And what is Exhibit 2?

6 A. Exhibit 2 is messaging around the launch  
7 of Xpring.

8 Q. Now, was this provided to you by  
9 Mr. Garlinghouse for a specific reason?

10 MS. ZORNBERG: Someone on Zoom needs to  
11 mute. Thank you.

12 THE WITNESS: I wouldn't want to speak to  
13 his reasoning as to why he sent it.

14 BY MS. GUERRIER:

15 Q. As part of your title as senior VP of  
16 Xpring, is this the kind of information that you  
17 would need to know?

18 MS. ZORNBERG: Object to form. And lack  
19 of foundation that he was SVP at the time of this  
20 email.

21 THE WITNESS: Yeah, I would -- I don't  
22 know my exact start date, but actually I believe I  
23 was -- I was not employed at Ripple at this time.

24 BY MS. GUERRIER:

25 Q. When did you start working at Ripple?



1 THE REPORTER: Did you say "start"?

2 THE WITNESS: Start.

3 MS. GUERRIER: Start.

4 THE WITNESS: I believe around June 1st  
5 of 2018.

6 MS. GUERRIER: Let me hand you what's been  
7 marked Exhibit 1.

8 (Whereupon, Deposition Exhibit EB-1  
9 was marked for identification.)

10 THE WITNESS: Thank you.

11 BY MS. GUERRIER:

12 Q. Mr. Beard, do you recognize Exhibit 1?

13 A. It appears to be an unsigned employment  
14 offer letter.

15 Q. Is that employment letter to you?

16 A. It is.

17 Q. Is it from Ripple?

18 A. Yes.

19 Q. Okay. Do you see the date on --

20 ZOOM PARTICIPANT: What exhibit number is  
21 this?

22 MS. GUERRIER: 1.

23 BY MS. GUERRIER:

24 Q. Do you see the date on that letter?

25 A. I do.

1 Q. Okay. What is the date on that letter?

2 A. The date on this letter is May 9 of 2018.

3 Q. Does this refresh your recollection at all  
4 of when you started working at Ripple?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: I don't believe this  
7 document changes my recollection. I believe I  
8 started in or around June 1st.

9 BY MS. GUERRIER:

10 Q. Okay. So when you were -- going back to  
11 Exhibit 2, were you in discussions with  
12 Mr. Garlinghouse about the growing the business for  
13 Xpring?

14 MS. ZORNBERG: Object to form.

15 THE WITNESS: No.

16 BY MS. GUERRIER:

17 Q. Okay. Do you know why you received the  
18 Xpring messaging email from Mr. Garlinghouse on  
19 May 8th, 2018?

20 A. I don't want to speak for why  
21 Mr. Garlinghouse sent this to me. Based on the  
22 dates, it appears to be some overview of what the  
23 job was that we were discussing.

24 Q. Okay. Did you request information from  
25 Mr. Garlinghouse about the job that you would be



1 starting?

2 A. Yes.

3 Q. Okay. So was Exhibit 2 received in  
4 response to a request from you about information?

5 A. I don't. I don't know.

6 Q. Okay. If you move down -- I'm still on  
7 Exhibit 2 -- to under the topic "Overall/Narrative  
8 Messaging," number 14, if you could please read that  
9 into the record.

10 A. Sure. Number 14 says:

11 "As responsible stewards of  
12 the XRP ecosystem, wanting to help  
13 unlock XRP's full potential and  
14 further build the liquidity and use  
15 fullness of XRP, Ripple launched  
16 Xpring, which will invest in,  
17 incubate, acquire and provide  
18 grants to companies and projects  
19 run by proven entrepreneurs that  
20 use the XRP Ledger and XRP."

21 Q. Now, when you were discussing your  
22 potential job at Ripple with Mr. Garlinghouse, was  
23 it your understanding that you would be assisting  
24 with number 14?

25 MS. ZORNBERG: Object to form.

1 THE WITNESS: Yes.

2 BY MS. GUERRIER:

3 Q. Okay. Do you understand what the term  
4 "liquidity" in number 14 means?

5 A. Yes.

6 Q. And what is your understanding of  
7 liquidity as that is stated under number 14 in  
8 Exhibit 2?

9 A. I would say my understanding of liquidity,  
10 when it comes to cryptocurrency, is the ability to  
11 get in and out of that cryptocurrency, to acquire it  
12 and to buy it and/or sell it.

13 Q. Okay. So in the context of this email,  
14 number 14, is this -- you have the exact same  
15 understanding for liquidity?

16 MS. ZORNBERG: Object to form. Asked and  
17 answered.

18 THE WITNESS: Yes.

19 BY MS. GUERRIER:

20 Q. And do you know how Xpring planned on  
21 building liquidity for XRP, at the time that you  
22 received this email in May of 2018?

23 A. No.

24 Q. Did you ask Mr. Garlinghouse how he  
25 planned on building liquidity for XRP in May 2018?

1 A. No.

2 Q. Were you interested in determining, as  
3 part of your new job at Xpring, how Xpring planned  
4 on building liquidity for XRP?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: I think in May of 2018, I  
7 did not appreciate the importance of liquidity for a  
8 digital currency.

9 BY MS. GUERRIER:

10 Q. Okay. So what did Mr. Garlinghouse tell  
11 you that your job at Xpring was going to be?

12 MS. ZORNBERG: Objection. Asked and  
13 answered.

14 You can answer.

15 THE WITNESS: My understanding of my job,  
16 from Mr. Garlinghouse and others at Ripple, was that  
17 I was to build an ecosystem of companies that were  
18 building on XRP Ledger.

19 BY MS. GUERRIER:

20 Q. So going back to number 14, it states  
21 that:

22 "Ripple launched Xpring --  
23 launched Xpring, will invest in,  
24 incubate, acquire and provide grant  
25 to companies and projects run by



1 entrepreneurs that use the XRP

2 Ledger and XRP."

3 Did you understand that this is the role  
4 that you were going to help play at Ripple with  
5 respect to what Xpring was required to do?

6 MS. ZORNBERG: Object to form.

7 THE WITNESS: I would say that -- that is  
8 a -- this document is a messaging document for how  
9 one communicates externally to the world of what  
10 Xpring is. And so is a like narrow or carefully  
11 crafted view as to what -- how we explain Xpring.

12 My understanding was that I was to build  
13 an ecosystem of companies that were building on XRP  
14 Ledger which might include these things here, but  
15 that wasn't exactly how things were spelled out.

16 BY MS. GUERRIER:

17 Q. Okay. So how are things spelled out  
18 differently for you compared to what is stated under  
19 number 14?

20 MS. ZORNBERG: Object to form.

21 THE WITNESS: I would say that the job, as  
22 I understood it, was broader, which was build an  
23 ecosystem of companies building on XRP Ledger and  
24 that might include investing, incubating, acquiring  
25 or providing grants.

1 But was also -- I was of the understanding  
2 that I could take a broad view as to how to  
3 accomplish that goal.

4 BY MS. GUERRIER:

5 Q. Okay. So did Xpring have any role in  
6 investing, incubating and acquiring and providing  
7 grants to companies?

8 A. Yes.

9 Q. Did you help Xpring achieve these goals?

10 A. I helped Xpring invest in, incubate,  
11 acquire and provide grants to companies.

12 Q. Okay. What are some of the companies that  
13 you helped invest in, incubate, acquire and provide  
14 grant to?

15 A. So there was quite a number of companies  
16 that we worked with, so I don't recall all of them.  
17 There are some that are listed here. For example,  
18 the company [REDACTED] a company **Coil**, a company

19 [REDACTED] We worked with a company [REDACTED] Worked with  
20 a company [REDACTED]

21 I honestly don't remember them all. There  
22 was a lot of them.

23 Q. If you turn the page to the Bates at the  
24 bottom that's -- it's SEC 0392730. Question and  
25 answer. It's the next page, I believe.



1 A. Mh-hmm.

2 Q. So if you look at the next-to-last  
3 question, what are you selecting and vetting -- I'm  
4 sorry:

5 "How are you selecting and  
6 vetting the projects you're  
7 supporting?"

8 Okay. If you could please read the answer  
9 to that question for the record.

10 A. Sure. The answer is:

11 "We're identifying and  
12 pursuing projects right now (versus  
13 evaluating in-bound pitches).  
14 We'll work with great teams going  
15 after well-defined and validated  
16 market opportunities with clear  
17 product-market fit using XRP."

18 Q. Do you have an understanding of what  
19 market opportunities this is referring to?

20 A. No. This is very general.

21 Q. Okay. Do you have a general understanding  
22 of market opportunities?

23 MS. ZORNBERG: Object to form.

24 BY MS. GUERRIER:

25 Q. In this context.

1 MS. ZORNBERG: Objection.

2 THE WITNESS: In this context, I would say  
3 teams that are looking to build big businesses.

4 BY MS. GUERRIER:

5 Q. And do you have a general understanding of  
6 what "clear product-market fit" means here?

7 A. Yeah.

8 Q. And what is your understanding of "clear  
9 product-market fit"?

10 A. For me, product -- clear product-market  
11 fit means a product that a given market wants to  
12 adopt and use.

13 MR. LEB: Apologies, but some of the Zoom  
14 participants are having trouble hearing the  
15 questions.

16 MS. GUERRIER: Oh, okay. I'm sorry.

17 BY MS. GUERRIER:

18 Q. All right. So in your capacity as the  
19 person who is going to be hired to work with Xpring,  
20 is this one of the goals that you were required to  
21 help achieve? And I'm referring to market  
22 opportunities in clear product-market fit.

23 MS. ZORNBERG: Objection as to form.

24 You can answer if you understand the  
25 question.

1 THE WITNESS: I would say in my capacity  
2 it was my understanding that one of the tactics we'd  
3 use was to work with great teams going after well  
4 defined and validated market opportunities with  
5 clear market fit.

6 BY MS. GUERRIER:

7 Q. So the market opportunities refer to the  
8 sale of XRP --

9 A. No.

10 Q. -- in this context?

11 A. No.

12 Q. Okay. So did Xpring have any role in  
13 creating market opportunity for XRP?

14 MS. ZORNBERG: Objection.

15 THE WITNESS: What do you mean by "market  
16 opportunities for XRP."

17 BY MS. GUERRIER:

18 Q. Well, as we just looked at the term here,  
19 I believe you defined what you thought market  
20 opportunity is.

21 MS. ZORNBERG: Okay. Objection.  
22 Misstates prior testimony.

23 BY MS. GUERRIER:

24 Q. So do you understand what "market  
25 opportunity" means in the context of Exhibit 2 that

1 you -- we just read into the record?

2 MS. ZORNBERG: Object to form.

3 THE WITNESS: I believe I have an  
4 understanding. I'm not sure you and I are of a  
5 shared understanding, so maybe you can help me  
6 understand what you think it means here.

7 BY MS. GUERRIER:

8 Q. Well, no. I want to know what you as  
9 the --

10 A. Yes.

11 Q. -- soon to be, in 2018, senior VP of  
12 Xpring understood market opportunities to mean in  
13 this exhibit that you received from  
14 Mr. Garlinghouse.

15 MS. ZORNBERG: Okay. Objection.  
16 Misstates prior testimony. Asked and answered.

17 I would ask request that the questioner  
18 restate the question. You're asking him about a  
19 term --

20 MS. GUERRIER: Ma'am, let me --

21 MS. ZORNBERG: Yeah.

22 MS. GUERRIER: We don't -- we really do  
23 not need for to you testify.

24 MS. ZORNBERG: I'm not testifying. The  
25 questions are -- you're asking him about a draft



1 document --

2 MS. GUERRIER: Okay. Excuse me.

3 MS. ZORNBERG: -- that he did not draft,  
4 and I'm trying to help you ask clear questions.

5 MS. GUERRIER: I don't need your help,  
6 thank you.

7 MS. ZORNBERG: Okay. Put the question.

8 BY MS. GUERRIER:

9 Q. This is an email that you received from  
10 Brad Garlinghouse. Is that correct?

11 A. Yes.

12 Q. Is this a draft email, to your knowledge?

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: What do you mean by "draft  
15 email"?

16 BY MS. GUERRIER:

17 Q. Do you see any draft stated on this email?

18 MS. ZORNBERG: Object to form.

19 THE WITNESS: I don't see anything  
20 indicating that it's a draft.

21 BY MS. GUERRIER:

22 Q. Okay. Let's go back to the page with the  
23 Bates number 0392730.

24 Now, do you have an understanding of what  
25 "market opportunities" means under the next to last



1 question that you read into the record?

2 A. Yes.

3 Q. What is -- again, just for the record, if  
4 you could just tell me, what is your understanding  
5 of "market opportunities"?

6 A. "Market opportunities" are markets where  
7 you can build a product, big markets where you can  
8 build a big business.

9 Q. Okay. And the job that you were applying  
10 for, did you understand that that was going to be  
11 one of your duties?

12 MS. ZORNBERG: Object to form.

13 THE WITNESS: What was going to be one of  
14 my duties?

15 BY MS. GUERRIER:

16 Q. Helping create market opportunities.

17 MS. ZORNBERG: Objection.

18 THE WITNESS: No.

19 BY MS. GUERRIER:

20 Q. Okay.

21 A. My job was to work with great teams going  
22 after well-defined and validated market  
23 opportunities.

24 Q. Okay. What types of market opportunities  
25 were you going to be going after?

1 MS. ZORNBERG: Object to form.

2 THE WITNESS: We weren't going after  
3 market opportunities. We were working with teams  
4 that were going after market opportunities. So, for  
5 example, [REDACTED] was a company that would allow you to  
6 store products and rent them out to someone. So if  
7 you had a surf board, for example, that you weren't  
8 using, you could put it in the [REDACTED] service and  
9 someone could come along and rent your surf board  
10 for an afternoon.

11 And so that was a business trying to go  
12 after a market opportunity, which is all the stuff  
13 we all keep in storage that's not -- that's useless  
14 to us and you can help people make money out of  
15 these things. So that is a market opportunity in  
16 the same way that Uber might go after the taxi cab  
17 business as a multibillion dollar market  
18 opportunity.

19 BY MS. GUERRIER:

20 Q. Were any of these market opportunities  
21 related to XRP?

22 A. No.

23 Q. And why not?

24 MS. ZORNBERG: Objection.

25 Please answer if you understand.

1 THE WITNESS: I'm not sure I understand  
2 when you say -- what do you mean when you say  
3 "market opportunities related to XRP"?

4 BY MS. GUERRIER:

5 Q. Okay. So if you -- the answer to the  
6 question that you read into the record says that:

7 "We'll work with great teams  
8 going after well-defined and  
9 validated market opportunities with  
10 clear product-market fit using  
11 XRP."

12 A. Yes.

13 Q. Okay. So does that help you understand my  
14 question?

15 MS. ZORNBERG: Object. Objection.

16 THE WITNESS: Can you repeat your  
17 question?

18 BY MS. GUERRIER:

19 Q. Okay. Were any of the market  
20 opportunities that -- in this context, in the  
21 context of the -- Exhibit 2, related to XRP?

22 A. No. We were working with start-ups that  
23 were trying to build businesses, and to build a  
24 business, you have to have a market that you  
25 identify that is legitimate and creates an



1 opportunity for you to build a business. So we were  
2 looking for great teams that were trying to build  
3 real businesses.

4 Q. But did it have any ultimate goal of  
5 helping XRP?

6 MS. ZORNBERG: Object to form.

7 THE WITNESS: Did what?

8 BY MS. GUERRIER:

9 Q. Your working with businesses to create  
10 market opportunities, did it ultimate -- was it  
11 ultimately to benefit XRP?

12 MS. ZORNBERG: Object to form.

13 THE WITNESS: We didn't work with  
14 businesses to create market opportunities.

15 BY MS. GUERRIER:

16 Q. Okay.

17 A. We worked with teams that were going after  
18 interesting markets.

19 Q. And why were you working with teams that  
20 were going after interesting markets?

21 A. Because those were the teams that we  
22 thought would be able to be -- build successful  
23 businesses.

24 Q. Okay.

25 A. If you're going after a small market,

1     you're not going to be a successful company.

2             Q.     Right.

3                     So did -- having these businesses that  
4     were going to be successful, was that to benefit  
5     XRP?

6             MS. ZORNBERG:   Object to form.

7                     You can answer if you understand.

8             THE WITNESS:   What do you mean by "benefit  
9     XRP"?

10            BY MS. GUERRIER:

11                  Q.     Was it to create interest in XRP?

12                  A.     It was to allow them to use XRP to -- as a  
13     technology.   XRP and XRP Ledger as a technology to  
14     solve problems and build products.

15                  Q.     Okay.   So would your work with Xpring  
16     benefit Ripple?

17             MS. ZORNBERG:   Object to form.

18             THE WITNESS:   You're asking me if my work  
19     for Xpring would benefit Ripple?

20            BY MS. GUERRIER:

21                  Q.     Yes.

22                  A.     If we did well.

23                  Q.     All right.   So would it be by using XRP?

24             MS. ZORNBERG:   Objection.

25             THE WITNESS:   By whom using XRP?



1 BY MS. GUERRIER:

2 Q. By Xpring using XRP.

3 MS. ZORNBERG: Objection.

4 THE WITNESS: We were trying to build an  
5 ecosystem of companies that were using XRP.

6 MS. ZORNBERG: Thank you.

7 MS. GUERRIER: I've handed you a document  
8 marked, I believe, Exhibit 4.

9 (Whereupon, Deposition Exhibit EB-4

10 was marked for identification.)

11 BY MS. GUERRIER:

12 Q. And it's an email from Mr. Garlinghouse to  
13 you dated May 12, 2018. If you can just take a look  
14 at that for a second.

15 A. Okay.

16 Q. So do you recognize this Exhibit 4 that  
17 I've handed to you?

18 A. It appears to be an email from Brad to  
19 myself.

20 Q. Do you have a general understanding of  
21 what this email from Brad to you is about?

22 A. Yes.

23 Q. Can you tell us what this is?

24 A. This email is a document that [REDACTED]  
25 put together with his thoughts on the XRP ecosystem.

1 Q. Okay. So if -- can you just define what  
2 do you mean by "XRP ecosystem"?

3 MS. ZORNBERG: Objection. And those are  
4 [REDACTED] words.

5 MS. GUERRIER: Right. I'm not asking  
6 about [REDACTED]

7 MS. ZORNBERG: Your question was your use  
8 of the term "XRP ecosystem."

9 MS. GUERRIER: Can you repeat my question,  
10 please.

11 (Record read by the reporter  
12 as follows:

13 "QUESTION: Okay. So if --  
14 can you just define what do you  
15 mean by 'XRP ecosystem'?"

16 MS. ZORNBERG: Objection.

17 BY MS. GUERRIER:

18 Q. Okay. Earlier, you talked about what your  
19 job would be in building an ecosystem.

20 Is that a correct statement?

21 A. Yes.

22 Q. Okay. Can you describe or define what you  
23 mean by "ecosystem"?

24 A. Yes. A group of companies all using a  
25 shared set of technology.

1 Q. And was the plan to create an ecosystem  
2 system for XRP?

3 MS. ZORNBERG: Object to form.

4 THE WITNESS: At what point?

5 BY MS. GUERRIER:

6 Q. Well, in 2018, when you were discussing  
7 your potential job, was the plan to create an  
8 ecosystem for XRP?

9 MS. ZORNBERG: Objection.

10 THE WITNESS: I don't know what the plan  
11 was. I hadn't joined the company yet. But the  
12 discussions that I had with Brad and others at  
13 Ripple was about setting that up as a goal.

14 BY MS. GUERRIER:

15 Q. Okay. So if you take a look at the  
16 document that I handed you, Exhibit 4 with Bates  
17 0431803, do you see where it says "Goal for the XRP  
18 Ecosystem"?

19 A. I do.

20 Q. Can you read number 2 into the record.

21 A. The first one on the list?

22 Q. Number 2.

23 A. Sorry, the second on the list --

24 Q. Yes.

25 A. -- or the one number 2? Sorry, the first

1 one is numbered 2, the second one is numbered 5.

2 Q. Okay. So are we looking at Exhibit 4,  
3 "Setting up the XRP Ecosystem for Success"?

4 A. Yes. Yeah.

5 Q. Okay. So under -- do you see where it  
6 says "Goals" --

7 A. Yes.

8 Q. -- for the XRP." There's number one,  
9 number 2?

10 A. Yes.

11 Q. Can you read what number 2 is?

12 A. Sure.

13 "Drive utility and liquidity  
14 for XRP."

15 MS. ZORNBERG: Just so the record's clear  
16 number one is blank and the formatting has a number  
17 of blank numbers.

18 BY MS. GUERRIER:

19 Q. Okay. So is it your understanding that  
20 that the XRP ecosystem, the goal was to drive  
21 utility and liquidity for XRP?

22 MS. ZORNBERG: Object to form.

23 THE WITNESS: The goal for whom?

24 BY MS. GUERRIER:

25 Q. Well, this is an email directed to you,



1 correct?

2 A. Yes.

3 Q. Okay. And it's basically discussing  
4 setting up the ecosystem for success.

5 So in this context, when it says the goal,  
6 number 2, is to drive utility and liquidity for XRP,  
7 is this your understanding of what the goal for XRP  
8 was at the time that this email was sent?

9 MS. ZORNBERG: Object to form.

10 THE WITNESS: What do you mean by "the  
11 goal for XRP"?

12 BY MS. GUERRIER:

13 Q. Well, those are the words that are on --  
14 on the email, correct?

15 A. You mean "goal for the XRP ecosystem"?

16 Q. Yes.

17 A. So my reading of this document is that  
18 [REDACTED] had put together some thoughts as to if  
19 you want wanted to set up the XRP ecosystem for  
20 success, there's some potential goals for the XRP  
21 ecosystem.

22 Q. Your job, the job that you were going to  
23 start, was to create an ecosystem for XRP?

24 A. An eco --

25 MS. ZORNBERG: Objection.



1 THE WITNESS: My understanding of my job  
2 was to build an ecosystem around companies building  
3 on XRP Ledger.

4 BY MS. GUERRIER:

5 Q. Okay. So part of the goals for the XRP  
6 ecosystem included driving utility and liquidity for  
7 XRP, to your knowledge?

8 MS. ZORNBERG: Objection.

9 THE WITNESS: I -- I don't know. I  
10 wouldn't want to speak for the goals of the company  
11 before I joined.

12 BY MS. GUERRIER:

13 Q. Did you ever speak with Brad Garlinghouse  
14 about what the goals for the XRP ecosystem were?

15 A. Yes.

16 Q. And what did he tell you that the goals  
17 for the XRP ecosystem were?

18 A. I would say more often I was trying to set  
19 forth -- this is before I joined. So prior to  
20 joining, I'm not sure he said anything. But  
21 certainly I was trying to build an ecosystem of  
22 companies using XRP Ledger. And in order to do that  
23 effectively, would look to set the goals for my team  
24 and my organization.

25 Q. Okay. Well, did you ask any questions

1     when you received this email about what the utility  
2     and liquidity for XRP meant?

3             A.     I don't remember.

4             Q.     Okay.  Would that have been of interest to  
5     you?

6             MS. ZORNBERG:  Objection.

7             THE WITNESS:  Presumably.  This is a long  
8     document.  I think all of it would have been of  
9     interest.

10            BY MS. GUERRIER:

11            Q.     Okay.  So was driving utility a primary  
12     component of the XRP ecosystem --

13            MS. ZORNBERG:  Object to form.

14            BY MS. GUERRIER:

15            Q.     -- at the time that you were interviewing?

16            MS. ZORNBERG:  Object to form.

17            THE WITNESS:  I -- I don't know what the  
18     goals for the team were at the time, prior to me  
19     joining.

20            BY MS. GUERRIER:

21            Q.     You are on this email, right?

22            MS. ZORNBERG:  Objection.

23            THE WITNESS:  I am, yes.

24            BY MS. GUERRIER:

25            Q.     Do you have any understanding whether

1 these statements were true at the time that you  
2 received this email, the statements about the goals  
3 for the XRP ecosystem being to drive utility and  
4 liquidity for XRP?

5 A. I don't know.

6 Q. Well, do you have any reason to believe  
7 that they were false?

8 MS. ZORNBERG: Objection.

9 THE WITNESS: I don't know how to answer  
10 that question.

11 BY MS. GUERRIER:

12 Q. What do you -- can you elaborate?

13 MS. ZORNBERG: Objection.

14 If you don't understand the question,  
15 there's nothing to elaborate.

16 MS. GUERRIER: I'm not sure he said he  
17 doesn't understand the question. He said he doesn't  
18 know how to answer the question. So if you could  
19 just --

20 THE WITNESS: Sure, can you repeat the  
21 question?

22 BY MS. GUERRIER:

23 Q. Do you have any reason to believe that the  
24 statement that the goals for the XRP ecosystem,  
25 including drive utility and liquidity for XRP, is an



1 incorrect statement?

2 MS. ZORNBERG: Object to form.

3 THE WITNESS: What do you mean by  
4 "incorrect statement"?

5 BY MS. GUERRIER:

6 Q. Well, do you have any reason to doubt that  
7 the goals for the XRP ecosystem include the drive  
8 utility and liquidity for XRP?

9 MS. ZORNBERG: Object to form.

10 THE WITNESS: I believe it -- I have no  
11 reason to doubt that [REDACTED] wrote this.

12 BY MS. GUERRIER:

13 Q. That's not my question, though.

14 I'm asking you, do you have any reason to  
15 believe that this statement, the goal -- under the  
16 title "Goals for the XRP Ecosystem, drive utility  
17 and liquidity for XRP" --

18 MS. ZORNBERG: Object to form. Asked and  
19 answered. And the witness has said -- has answered  
20 your question. You're asking about something he  
21 didn't write.

22 MS. GUERRIER: He didn't answer.

23 MS. ZORNBERG: That Mr. [REDACTED] wrote.

24 BY MS. GUERRIER:

25 Q. Okay. So do you have any reason to

1 believe that the statement, "Goals for the XRP  
2 Ecosystem, drive utility and liquidity for XRP," is  
3 false?

4 MS. ZORNBERG: Objection.

5 If you can answer -- if you understand the  
6 question you can answer.

7 THE WITNESS: I don't understand the  
8 question. This is an email from [REDACTED]. I  
9 can't speak to the veracity of this document.

10 BY MS. GUERRIER:

11 Q. Okay. So when you received this document,  
12 did you ask whether it was true that the goals for  
13 the XRP ecosystem include to drive the utility and  
14 liquidity of XRP?

15 A. I don't recall.

16 Q. Were you interested at all in determining  
17 whether the goals were to drive the utility and  
18 liquidity for XRP?

19 MS. ZORNBERG: Objection and asked and  
20 answered.

21 THE WITNESS: Yeah. I think so.

22 BY MS. GUERRIER:

23 Q. Okay. So did you make your interest known  
24 to anyone at the time?

25 MS. ZORNBERG: Objection.



1 THE WITNESS: I don't recall.

2 BY MS. GUERRIER:

3 Q. Did Mr. Garlinghouse ever tell you that  
4 this statement to drive the utility and liquidity  
5 for XRP as part of the goal for the ecosystem was  
6 accurate?

7 MS. ZORNBERG: Object to form.

8 THE WITNESS: Sorry, can you repeat your  
9 question?

10 BY MS. GUERRIER:

11 Q. Did Mr. Garlinghouse ever tell you that  
12 the goals for the XRP ecosystem, to drive utility  
13 and liquidity for XRP, was an accurate statement?

14 A. I -- I don't remember.

15 Q. Did you ever have any discussions with  
16 Mr. Garlinghouse regarding the statement that's in  
17 this email, the goals for the XRP ecosystem to drive  
18 utility and liquidity for XRP?

19 A. During what time period?

20 Q. We're still talking about the email --

21 A. Yeah.

22 Q. -- that you received in May.

23 A. I don't remember.

24 Q. Did you ever have any discussions with  
25 Mr. Garlinghouse regarding what the goals for the

1 XRP ecosystem were?

2 A. Again, during this time period?

3 Q. The entirety of your time at Ripple.

4 MS. ZORNBERG: Object to form.

5 THE WITNESS: You're asking if I -- sorry,

6 can you repeat your question? I just want to make

7 sure I understand the timing in the question.

8 BY MS. GUERRIER:

9 Q. Well, I'm gonna break it out into two.

10 A. Okay.

11 Q. Did you ever have any discussions with  
12 Mr. Garlinghouse regarding whether the goals for the  
13 XRP ecosystem, including driving utility and  
14 liquidity for XRP, is an accurate statement around  
15 the time of this email, which is in May in 2018?

16 A. Yeah, I don't remember. Sorry.

17 Q. Did you ever have any discussions with  
18 Mr. Garlinghouse at any time during your employment  
19 at Ripple, Xpring, regarding whether the goals for  
20 the XRP ecosystem included to drive the utility and  
21 liquidity for XRP?

22 A. Yes.

23 Q. When did you have these discussions?

24 A. I don't remember the exact dates.

25 Q. What was the substance of the discussions

1 that you had with Mr. Garlinghouse regarding the  
2 goals for the XRP ecosystem, including to drive  
3 utility and liquidity for XRP?

4 MS. ZORNBERG: Object to form.

5 THE WITNESS: So I was managing the Xpring  
6 team during my entire tenure at Ripple. And so  
7 trying to establish the goals for the team was a  
8 reasonable thing to discuss -- I don't want to say  
9 often, but frequently.

10 BY MS. GUERRIER:

11 Q. And where did liquidity play in with the  
12 discussions that you had with Mr. Garlinghouse with  
13 respect to XRP?

14 MS. ZORNBERG: Object to form.

15 THE WITNESS: What do you mean by "fit  
16 in"?

17 BY MS. GUERRIER:

18 Q. Well, we're still talking about the  
19 statement that the goals for the XRP ecosystem is to  
20 drive utility and liquidity for XRP.

21 And I'm following up on your statement  
22 that you've had conversations with Mr. Garlinghouse  
23 regarding these goals.

24 So what specifically about utility in the  
25 XRP ecosystem did you discuss with Mr. Garlinghouse?



1 MS. ZORNBERG: Objection. Misstates prior  
2 testimony. Lack of foundation. The way the  
3 question's framed now, you've asked him -- you've  
4 assumed that he had a specific discussion with  
5 Mr. Garlinghouse about this sentence in the [REDACTED]  
6 [REDACTED] email. There's not a foundation for that.

7 MS. GUERRIER: Okay.

8 MS. ZORNBERG: So --

9 MS. GUERRIER: I think --

10 BY MS. GUERRIER:

11 Q. Did you -- did you have discussions with  
12 Mr. Garlinghouse regarding the goals for the XRP  
13 ecosystem being to drive utility and liquidity for  
14 XRP at any time during your employment at Xpring?

15 A. Yeah.

16 Q. Okay. And I believe you testified you  
17 don't recall when specifically?

18 A. I recall that I did not remember  
19 discussing these goals. I said I do not know the  
20 exact dates.

21 Q. Okay. But you did have discussions about  
22 part of the goals for the XRP ecosystem including  
23 driving utility and liquidity for XRP. Is that  
24 correct?

25 MS. ZORNBERG: Object to form.



1 THE WITNESS: We had discussions around  
2 the goals for Xpring and we had -- we -- part of  
3 those discussions were around utility and liquidity  
4 for XRP.

5 BY MS. GUERRIER:

6 Q. Do you remember the substance of the  
7 conversation that you've had with Mr. Garlinghouse  
8 regarding utility and liquidity for XRP as it  
9 relates to the XRP ecosystem?

10 MS. ZORNBERG: Object to form.

11 THE WITNESS: No. The substance?

12 BY MS. GUERRIER:

13 Q. What -- okay. Can you tell me what  
14 conversation you had with Mr. Garlinghouse regarding  
15 utility as it relates to -- and liquidity as it  
16 relates to the XRP ecosystem?

17 MS. ZORNBERG: Object to form.

18 THE WITNESS: So I was building and  
19 managing a team of people and so would discuss the  
20 goals for our team, oftentimes with my team, my  
21 peers, my manager, who was Brad. And so it's hard  
22 for me to characterize the substance of that  
23 conversation because this was how I was trying to do  
24 my job. So there was -- it was a constant  
25 discussion around, am I -- what should we be doing

1 and are we doing it well and how do we do it.

2 BY MS. GUERRIER:

3 Q. Okay. So was the need to create liquidity  
4 for XRP discussed at all with Mr. Garlinghouse in  
5 the context of your employment as it relates to the  
6 ecosystem?

7 MS. ZORNBERG: Object to form.

8 THE WITNESS: We did not discuss the need  
9 to create liquidity. No.

10 BY MS. GUERRIER:

11 Q. Okay. What specifically did you discuss  
12 about liquidity with respect to the ecosystem?

13 MS. ZORNBERG: Object to form.

14 You can answer if you understand.

15 THE WITNESS: For me, liquidity was a  
16 measure of how -- of utility for XRP.

17 BY MS. GUERRIER:

18 Q. Okay. That wasn't my question.

19 My question is, what did you discuss with  
20 Mr. Garlinghouse with respect to liquidity as it  
21 relates to the ecosystem?

22 A. I discuss --

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: I discussed how liquidity  
25 was a measure of utility.

1 BY MS. GUERRIER:

2 Q. Okay. Can you explain what you mean by  
3 liquidity being a measure of utility?

4 A. Yes. So in order for a currency to be  
5 useful to have liquidity, you must be able to  
6 acquire that currency or -- unacquire, you must be  
7 able be to buy it and you must be able -- you must  
8 be able to get it. For something to be useful, you  
9 must be able to get your hands on it to use it. And  
10 so with no liquidity, it would be impossible to  
11 drive utility.

12 Q. Okay. So how did you drive liquidity in  
13 creating the ecosystem for XRP?

14 MS. ZORNBERG: Object to form. And  
15 misstates -- lack of foundation. Misstates prior  
16 testimony.

17 BY MS. GUERRIER:

18 Q. You can answer.

19 A. I did not state that I drove liquidity. I  
20 don't -- I did not drive liquidity.

21 Q. Okay. What specifically did you work on  
22 when you discussed the ecosystem when you were  
23 actually employed at Xpring?

24 MS. ZORNBERG: Objection. Lack of  
25 foundation.



1 THE WITNESS: The question is, what did I  
2 work on when we discussed -- sorry, can you repeat  
3 the question?

4 MS. GUERRIER: Do you mind -- can you  
5 please read my question. Thank you.

6 (Record read by the reporter  
7 as follows:

8 "QUESTION: Okay. What  
9 specifically did you work on when  
10 you discussed the ecosystem when  
11 you were actually employed at  
12 Xpring?")

13 MS. ZORNBERG: Objection. Lack of  
14 foundation.

15 THE WITNESS: Can you be more specific on  
16 which discussions you're referring to?

17 BY MS. GUERRIER:

18 Q. Okay. What did you work on when you were  
19 working on the ecosystem for -- that you were  
20 developing?

21 A. We --

22 MS. ZORNBERG: Object to form.

23 THE WITNESS: Broadly, over the  
24 two-and-a-half years I was there?

25 / /



1 BY MS. GUERRIER:

2 Q. Sure. Yes.

3 A. Sure. So we partnered with companies, we  
4 invested with companies, and we built technology.

5 Q. Do you recall what types of companies you  
6 partnered with over your term with Xpring?

7 MS. ZORNBERG: Objection. Asked and  
8 answered.

9 THE WITNESS: Generally, technology  
10 companies, frequently start-ups.

11 BY MS. GUERRIER:

12 Q. What type? Can you specifically name the  
13 companies that you worked with?

14 A. I think we did this before.

15 Q. Are these the same companies --

16 A. Yes.

17 Q. -- that you named earlier?

18 A. Yes. Yeah.

19 Q. Okay. So going back to my earlier  
20 question regarding the ecosystem, was Xpring  
21 expected to drive liquidity for XRP?

22 A. No.

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: No.

25 / /

1 BY MS. GUERRIER:

2 Q. Was working with the companies that you  
3 named earlier a means of creating liquidity for XRP?

4 A. No.

5 Q. What were these companies required to do  
6 for Xpring?

7 MS. ZORNBERG: Objection. Lack of  
8 foundation.

9 THE WITNESS: So we partnered with a lot  
10 of different companies in lots of different forms.

11 BY MS. GUERRIER:

12 Q. Okay. So can you give some examples of  
13 the types of companies and what they specifically  
14 did with Xpring?

15 A. Sure. So we -- this is -- I don't -- I  
16 don't remember all of them, so I apologize.

17 But there were companies that we invested  
18 in just strictly as investment. There were  
19 companies that we invested or partnered with that  
20 used XRP in their product.

21 Q. So which company was strictly investing --  
22 companies that you invested in?

23 A. Oh, I don't remember the details of all of  
24 them.

25 Q. Do you know their names?

1           A.    I named a few of them.  I don't remember  
2 all of them.  I honestly don't.

3           Q.    Can you just recall one that --

4           A.    Yeah.  Like we talked about **Coil** --

5           MS. ZORNBERG:  Just let her -- make sure  
6 you let her finish asking the question.

7 BY MS. GUERRIER:

8           Q.    I'm just trying to understand the  
9 companies that were solely for investment.  So if  
10 you could just -- if you -- whatever you can recall,  
11 if you could please name them.

12          A.    Sure.  So the ones that I recalled were  
13 solely for investment, I believe [REDACTED] was strictly  
14 an investment.  I believe [REDACTED] was strictly an  
15 investment.

16                Those are the only ones I can remember off  
17 the top of my head.

18          Q.    And then you had another category of  
19 companies that you said were -- used XRP?

20                MS. ZORNBERG:  Object to form.

21                THE WITNESS:  I don't think I categorized  
22 them, per se, but you asked me to come up with some  
23 general generalizations.  But yes, there were  
24 companies also that used XRP.

25                / /



1 BY MS. GUERRIER:

2 Q. What -- which one of those companies?

3 A. So, for example, **Coil**, [REDACTED]

4 I'm sure there are more.

5 Q. Okay. And how did they use XRP?

6 MS. ZORNBERG: Object to form.

7 You can answer.

8 THE WITNESS: All of them?

9 BY MS. GUERRIER:

10 Q. Well, how did **Coil** use XRP?

11 A. Sure. **Coil** is a technology that allows --  
12 what's the best way to describe this. Allows an  
13 individual to pay small amounts of money for  
14 consuming a piece of content online. So you might  
15 be able to pay a penny to read a news story, for  
16 example, or two pennies to read a news story, and  
17 **Coil** used XRP to make that payment because that sort  
18 of payment is not possible with today's -- with  
19 traditional payment providers.

20 Q. And [REDACTED], how did [REDACTED] use XRP?

21 A. [REDACTED] was using it in a similar manner  
22 where [REDACTED] allowed you, as I said, to rent out  
23 various assets, things that you owned, and they were  
24 similarly using it to enable the payment between the  
25 renter and the rentee.



1 Q. And how was [REDACTED] using XRP?

2 A. [REDACTED] is a little more complicated, but,  
3 generally, I would say [REDACTED] is using it for a  
4 similar approach, but they're building out a  
5 platform for online video games and using XRP to  
6 enable users to very easily buy and sell virtual  
7 goods, digital goods, within a video game.

8 MS. GUERRIER: Okay. Let me hand you  
9 what's been marked Exhibit 11.

10 (Whereupon, Deposition Exhibit EB-11  
11 was marked for identification.)

12 MS. ZORNBERG: Thank you.

13 BY MS. GUERRIER:

14 Q. Exhibit 11 is an email dated June 21st,  
15 2018, from you to yourself, from you. And I think  
16 it's -- the subject is "Open DLT notes." And  
17 underneath it it has "XRP thoughts."

18 Let me know when you have the chance to  
19 take a look at it.

20 A. Okay.

21 All right.

22 Q. All right. So what is the document marked  
23 Exhibit 11?

24 A. This appears to be an email from myself to  
25 myself dated June 21st, 2018, with a very long list

1 of ideas and thoughts.

2 Q. And were these ideas and thoughts that you  
3 had after you became employed with Ripple?

4 A. I wrote this email after. And I couldn't  
5 say when I had the thoughts, but I would -- I think  
6 it's fair to generalize most of this was me trying  
7 to get my head wrapped around a new job.

8 Q. Okay. But you were actually working at  
9 Ripple at the time that you wrote --

10 A. At the time I sent this email, yeah.  
11 Yeah.

12 Q. Okay. And what, in general, were you  
13 trying to accomplish with this email?

14 MS. ZORNBERG: Object to form.  
15 You can answer.

16 THE WITNESS: Well, I sent the email to  
17 myself just, I guess, to have it in my inbox.

18 BY MS. GUERRIER:

19 Q. Okay. So were you writing your thoughts  
20 about your new job, basically?

21 MS. ZORNBERG: Object to form.

22 THE WITNESS: Yeah. I think that's fair.

23 BY MS. GUERRIER:

24 Q. Okay. And were these including some of  
25 the objectives using XRP?

1 MS. ZORNBERG: Object to form.

2 THE WITNESS: Sorry, which objectives are  
3 you talking about?

4 BY MS. GUERRIER:

5 Q. Well, in general, were you writing about  
6 some of your objectives with respect to XRP?

7 A. I think this document has objectives about  
8 lots of things, including XRP.

9 Q. Okay. But it does have objectives about  
10 XRP that you wrote to yourself?

11 A. Let me go read it again. I don't want to  
12 get too specific there.

13 Q. I mean, I'm not asking for specific  
14 objectives. I'm asking in general, did you write  
15 your objectives about XRP in this email to yourself?

16 MS. ZORNBERG: Object to form. And feel  
17 free to direct him to something in the document.

18 THE WITNESS: So it looks like I have  
19 mentioned objectives a few times in this document.  
20 Once on the first line. I, again -- I'm happy to  
21 scan it and look for those words.

22 BY MS. GUERRIER:

23 Q. I don't think I'm asking you to scan for  
24 words. But if you -- just based on your  
25 recollection, is this document to write what your



1 thoughts were for XRP?

2 A. I would say this is my thoughts around,  
3 yeah, what my job was supposed to do, supposed to  
4 be.

5 Q. Okay. Now, if you turn to the page that  
6 has the Bates number 058048 at the bottom -- 80409.  
7 Sorry, I'll repeat that. 0580409.

8 A. Yes.

9 Q. Near the middle, there's a statement that  
10 you write. You want to read that into the record.  
11 It's under number 13.

12 A. Certainly.

13 "How ironic that all the ICOs  
14 happen on ETH and ETH received  
15 specific notice from the SEC that  
16 it isn't a security."

17 Q. Is there a reason why you thought it was  
18 ironic that ETH received the notice from the SEC  
19 about it not being a security?

20 MS. ZORNBERG: Object to form.

21 THE WITNESS: Sorry, can you repeat the  
22 question?

23 BY MS. GUERRIER:

24 Q. Is there a reason that you thought it was  
25 ironic that ETH received a specific notice from the



1 SEC about it not being a security?

2 MS. ZORNBERG: Objection.

3 THE WITNESS: Yes.

4 BY MS. GUERRIER:

5 Q. And why did you think that was ironic?

6 A. Not being a lawyer or security lawyer, I  
7 think at this time, 2000 -- mid 2018, there were  
8 many, many ICOs coming out, initial coin offerings.  
9 From my reading of the news -- again, not being a  
10 lawyer, it seemed like these were questionable from  
11 a regulatory perspective. And they were all  
12 happening on the Ethereum blockchain which the SEC,  
13 my understanding, had said everything on Ethereum is  
14 kosher and fine but there was all this, like, what  
15 appeared to be fairly regulatory questionable  
16 activity taking place in the ecosystem that the SEC  
17 said was okay.

18 Q. Okay. Did you ever discuss with anyone at  
19 Ripple whether XRP might be a security?

20 A. No.

21 Q. Did you ever meet with anyone at the SEC  
22 regarding XRP?

23 A. No.

24 Q. Since you left Ripple, have you had any  
25 discussions With Mr. Garlinghouse about XRP being a

1 security?

2 A. No.

3 Q. Have you had any discussions with  
4 Mr. Larsen, since you've left Ripple, regarding  
5 whether XRP is a security?

6 A. No.

7 Q. Have you communicated with anyone else at  
8 Ripple from -- regarding whether or not XRP is a  
9 security? And I mean at any time.

10 A. I've spoken with counsel regarding this  
11 deposition.

12 Q. Other than counsel.

13 A. No.

14 Q. Have you ever spoken with Mr. Garlinghouse  
15 regarding this litigation?

16 A. The no.

17 Q. Have you ever spoken with anyone at Ripple  
18 regarding this litigation?

19 A. Just counsel.

20 Q. Okay. Going back to your email, if you  
21 could stay on the same page and read right under the  
22 topic about security, beginning with "today XRP."

23 A. Sure.

24 "Today XRP is one of the  
25 top -- top market cap digital

1 assets."

2 Q. Can you read the next line, please?

3 A. Sure.

4 "Outside of speculators, no  
5 one is doing anything with XRP or  
6 XRP Ledger."

7 Q. And the following line?

8 A. "Even Ripple, doing very little with XRP  
9 or XRP Ledger."

10 Q. Okay. So this is an email you sent to  
11 yourself on June 21st, 2018?

12 A. Yes.

13 Q. Okay. So at the time you made these three  
14 statements that you just read into -- market,  
15 including that outside of speculators, no one is  
16 doing anything with XRP or XRP Ledger, was the  
17 statement an accurate statement?

18 MS. ZORNBERG: Object to form.

19 THE WITNESS: I don't know.

20 BY MS. GUERRIER:

21 Q. Well, did you believe the statement to be  
22 true when you wrote it?

23 A. I don't know.

24 Q. So why did you write this into your email?

25 A. So this email is a lot of thoughts about



1 me trying to figure out how to do my job. So  
2 there's a lot of information in this that I was just  
3 dumping stuff on a page to try to figure out what my  
4 job was and how to go do it.

5 Q. So at the time that you wrote this email,  
6 no one, to your knowledge, was doing anything with  
7 XRP --

8 MS. ZORNBERG: Objection.

9 BY MS. GUERRIER:

10 Q. -- is that correct?

11 MS. ZORNBERG: Objection.

12 THE WITNESS: I wouldn't say that.

13 BY MS. GUERRIER:

14 Q. So what did you mean by "outside of  
15 speculators, no one is doing anything with XRP"?

16 A. I'm not 100 percent sure. I'd say at this  
17 period of time, all -- most of what was going on in  
18 cryptocurrency was ICOs. And that was -- every day  
19 in the press was everybody was doing an ICO. And so  
20 that was where all the attention and excitement was.

21 And Ripple, being a very conservative  
22 company, had always tried to stay very far away from  
23 them. And so if you were to look at what's going on  
24 in the crypto world, like, it was all ICOs all the  
25 time, and no one of that was happening on XRP



1 Ledger.

2 Q. Okay. But other than that, there was no  
3 one using XRP at the time you wrote this email --

4 MS. ZORNBERG: Object. Is that a  
5 question?

6 BY MS. GUERRIER:

7 Q. Can you answer the question?

8 A. What was the question?

9 MS. ZORNBERG: No. Objection.

10 BY MS. GUERRIER:

11 Q. You wrote -- is that -- that no one is  
12 doing anything with XRP.

13 At the time you wrote this email in June  
14 of 2018, was that true?

15 MS. ZORNBERG: Objection. Misaccurate  
16 [sic] reading of the statement.

17 THE WITNESS: As I stated before, I don't  
18 know.

19 BY MS. GUERRIER:

20 Q. So why would you -- how would not knowing  
21 whether or not anyone is doing anything with XRP  
22 help you, as an SVP of Xpring, do your job?

23 MS. ZORNBERG: Objection.

24 THE WITNESS: Sorry, can you repeat the  
25 question?

1 MS. GUERRIER: If you could please read  
2 the question.

3 (Record read by the reporter  
4 as follows:

5 QUESTION: "So why would  
6 you -- how would not knowing  
7 whether or not anyone is doing  
8 anything with XRP help you, as an  
9 SVP of Xpring, do your job?")

10 MS. ZORNBERG: Objection. It's an  
11 incomprehensible question.

12 THE WITNESS: I'm not sure I understand  
13 that question.

14 MS. GUERRIER: I don't know that that's an  
15 appropriate objection, but you can object to form  
16 and then I'll try to clarify the question.

17 MS. ZORNBERG: Object to form.

18 MS. GUERRIER: No need for insults.

19 BY MS. GUERRIER:

20 Q. Sir, the next line you write:

21 "Even Ripple doing very little  
22 with XRP."

23 What did you mean by that?

24 A. I don't know specifically.

25 Q. So as you wrote this email in June of

1 2018, you didn't know whether or not Ripple was  
2 doing very little with XRP. Is that what you're  
3 testifying today?

4 MS. ZORNBERG: Object to form.

5 THE WITNESS: I think that's accurate,  
6 yes.

7 BY MS. GUERRIER:

8 Q. What is accurate?

9 A. That I didn't know what Ripple was doing  
10 with XRP Ledger at this time.

11 Q. But that's not what you wrote here,  
12 correct? I mean --

13 A. Correct.

14 Q. You wrote:

15 "Even Ripple doing very little  
16 with XRP."

17 Is that an affirmative statement?

18 MS. ZORNBERG: Object to form.

19 THE WITNESS: I did write that, yes.

20 BY MS. GUERRIER:

21 Q. Yes. Did you believe that to be the case?

22 A. I don't know.

23 Q. And why don't you know?

24 A. There's a lot of thoughts in here. This  
25 is, a dozen -- eight, ten pages of bullet points,

1 maybe a few hundred bullet points. And I'm not sure  
2 I know if I believe all or some. This was me, two  
3 weeks into a job, trying to get my head wrapped  
4 around with what's going on in a very complicated  
5 industry.

6 And I think generally Ripple, we're  
7 focused -- focused on payments, and the world of  
8 payments is very, very big. And even today, I think  
9 Ripple, while doing great, is still a small piece of  
10 what's going on in the world of payments.

11 MS. GUERRIER: I'm handing you Exhibit 18.

12 (Whereupon, Deposition Exhibit EB-18  
13 was marked for identification.)

14 BY MS. GUERRIER:

15 Q. If you could please take a look at it.  
16 Let me know when you are done.

17 A. Okay.

18 Q. All right. So what is Exhibit 18?

19 A. Exhibit 18 is an email from me to [REDACTED]  
20 [REDACTED] from August 1st, 2018.

21 Q. Okay. So who is [REDACTED]?

22 A. [REDACTED] is the CEO of Coil.

23 Q. Is Coil one of the companies that you  
24 described earlier as using XRP?

25 A. Yes. Coil uses XRP.



1 Q. Okay. So if you could please tell me what  
2 you are responding to with respect to this email.

3 MS. ZORNBERG: Object to form. Document  
4 speaks for itself.

5 THE WITNESS: So it looks like I am  
6 responding to a question from [REDACTED], who says:

7 "Are there any candidates for  
8 ILP-enabled XRP wallets that you're  
9 pursuing?"

10 BY MS. GUERRIER:

11 Q. So if you could read the second paragraph  
12 of your answer into the record, please.

13 A. Sure.

14 "Agree this is important and  
15 that someone will solve it. One  
16 challenge is that at the moment,  
17 there's no place for consumers to  
18 spend XRP, so we have a chicken/egg  
19 problem we need to solve."

20 Q. Okay. So why are you telling the CEO of  
21 Coil that there's no place for consumers to spend  
22 XRP, in this email dated August 1st, 2018?

23 MS. ZORNBERG: Object to form.

24 You can answer.

25 THE WITNESS: So if I understand this

1 email correctly, this is about what looks to be  
2 blockchain wallet, and their integration of ILP and  
3 whether that was important or not. And blockchain  
4 wallet is a consumer-facing product.

5 And so the question was, how important it  
6 was to have a consumer-facing product that supported  
7 ILP and XRP.

8 BY MS. GUERRIER:

9 Q. So at the time you wrote this email, is it  
10 accurate that there was no place for consumers to  
11 spend XRP?

12 A. I don't know.

13 Q. So why did you include that in your answer  
14 to [REDACTED]?

15 MS. ZORNBERG: Object to form.

16 THE WITNESS: I included that to try to  
17 frame up this opportunity or this idea around  
18 introducing ILP and XRP into the blockchain wallet.

19 BY MS. GUERRIER:

20 Q. So are you -- what -- is your testimony  
21 that there is no place to spend XRP accurate?

22 MS. ZORNBERG: Objection.

23 THE WITNESS: Are you asking if my  
24 testimony is accurate?

25 / /

1 BY MS. GUERRIER:

2 Q. I'm sorry, is your email, that there's no  
3 place for consumers to spend XRP. Is that an  
4 accurate statement?

5 MS. ZORNBERG: Objection. Asked and  
6 answered.

7 THE WITNESS: As of this date?

8 BY MS. GUERRIER:

9 Q. Yes.

10 A. I don't know. The XRP Ledger is open for  
11 anyone to use.

12 Q. That's not my question. I'd like to  
13 understand what you meant here by saying that  
14 there's no place for consumers to spend XRP, on  
15 August 1st, 2018.

16 A. I am trying to provide a framework for how  
17 to evaluate this opportunity to integrate ILP and  
18 XRP into the blockchain wallet, which is a  
19 consumer-facing product.

20 Q. Right. So at the time there was no place  
21 to spend XRP for consumers. Is that a correct  
22 characterization?

23 MS. ZORNBERG: Objection. Asked and  
24 answered.

25 THE WITNESS: I don't know.



1 BY MS. GUERRIER:

2 Q. So as -- you're the senior vice president  
3 of Xpring, and -- is it your testimony you don't  
4 know whether, at the time you sent your email on  
5 August 1st, 2018, that there was no place to  
6 spend -- for consumers to spend XRP?

7 MS. ZORNBERG: Objection to form.

8 BY MS. GUERRIER:

9 Q. Is that your testimony?

10 MS. ZORNBERG: Object to form.

11 THE WITNESS: I do not know the answer to  
12 that. I do not know if there was a place for  
13 consumers to spend XRP as of this date.

14 BY MS. GUERRIER:

15 Q. Okay. So what did you mean by the chicken  
16 and egg problem that you needed to solve?

17 MS. ZORNBERG: Object to form.

18 You can answer.

19 THE WITNESS: So blockchain wallet being a  
20 very large wallet, to bring a lot of consumers on  
21 board, if there are limited places for them to use  
22 that wallet, then you've only got one side of the  
23 kind of wallet payment interaction, that being the  
24 chicken and egg problem.

25 / /



1 BY MS. GUERRIER:

2 Q. When you sent this statement, did you  
3 believe -- and by "statement," I mean that there was  
4 no place for consumers to spend XRP. Did you  
5 believe it to be true at the time that you sent it  
6 in August of 2018?

7 A. I don't think so.

8 Q. So you didn't believe that there was no  
9 place for consumers to -- I'm just trying to  
10 understand -- to spend the XRP?

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: Yeah. I don't believe that  
13 I actually believed that to be 100 percent true.

14 BY MS. GUERRIER:

15 Q. So did you clarify the statement with  
16 Mr. [REDACTED] at a later time?

17 A. I doubt it.

18 Q. Okay. Why not?

19 A. It was not relevant to this conversation.

20 Q. Okay. But you put it in the email for  
21 what purpose?

22 MS. ZORNBERG: Object to form.

23 THE WITNESS: So I was trying to help  
24 provide a framework to evaluate how -- evaluate this  
25 opportunity of adding ILP and XRP into the

1 blockchain wallet. And so I was trying to provide  
2 some context.

3 BY MS. GUERRIER:

4 Q. By -- so by providing context, do you mean  
5 to include a statement that you did not believe was  
6 true?

7 MS. ZORNBERG: Objection.

8 THE WITNESS: For me, this statement is  
9 just shorthand.

10 BY MS. GUERRIER:

11 Q. So it could be true or false as far as  
12 you're concerned?

13 MS. ZORNBERG: Objection.

14 THE WITNESS: Could be true or false as  
15 far as you're concerned?

16 MS. ZORNBERG: Yeah. Object to the form  
17 of the question.

18 BY MS. GUERRIER:

19 Q. So --

20 A. Are you asking me if the statement could  
21 be true or false?

22 Q. Well, are you -- is it your normal to put  
23 a false statement into an email regarding a question  
24 about, you know, whether consumers spend XRP or not?

25 MS. ZORNBERG: Objection. And misstates

1 prior testimony.

2 THE WITNESS: I would say it's normal to  
3 make generalizations and shorthand in email.

4 BY MS. GUERRIER:

5 Q. So the statement that there's no place for  
6 consumers to spend XRP, are you characterizing this  
7 as a generalization?

8 A. I think so, yes.

9 Q. Okay. So -- but -- is your testimony that  
10 you don't know if that's true or false?

11 A. Correct.

12 Q. As of August 1st, 2018?

13 A. Correct.

14 MS. GUERRIER: I'm handing you a document  
15 premarked as Exhibit 20.

16 (Whereupon, Deposition Exhibit EB-20  
17 was marked for identification.)

18 THE WITNESS: Okay.

19 BY MS. GUERRIER:

20 Q. All right. So Exhibit 20 is an email from  
21 you to [REDACTED] on August 7, 2018 and CC'ing other  
22 people with the subject, Intro.

23 And who is --

24 MS. ZORNBERG: Hold on. Hold on. That's  
25 inaccurate -- just to correct the record, Exhibit 20



1 is an email string with multiple emails, and the  
2 subject was not written by Mr. Beard.

3 MS. GUERRIER: Okay. I never said that.  
4 And also, ma'am, if you would just either object to  
5 form, because you will have your opportunity to --  
6 whatever it is you need to clear up, clear up, but I  
7 would appreciate if you just object to the form of  
8 the question.

9 MS. ZORNBERG: If something is being  
10 misstated I'll correct it in the moment.

11 MS. GUERRIER: It is -- because I did not  
12 say that he wrote the intro. That's your testimony.

13 BY MS. GUERRIER:

14 Q. Sir, what is this email that you are  
15 writing to [REDACTED] about?

16 A. So this email thread. You want me to talk  
17 about the first one?

18 Q. Yeah. What is -- what is your email on  
19 August 7th, 2018, to [REDACTED]

20 A. So this is --

21 MS. ZORNBERG: Object to form.

22 THE WITNESS: This is in response to an  
23 email from [REDACTED] talking about a variety of  
24 different businesses and ideas and opportunities  
25 that he's been exploring.



1 BY MS. GUERRIER:

2 Q. Who is [REDACTED]?

3 A. [REDACTED] I believe was an early Ripple  
4 employee and is now an investor.

5 Q. Do you recall what his title was at  
6 Ripple?

7 A. He was -- we did not overlap.

8 Q. And he's an early investor -- I'm sorry,  
9 what did you say about -- can you clarify?

10 A. He was an early employee at Ripple and is  
11 now an investor.

12 Q. At Ripple?

13 A. I don't know.

14 Q. Okay.

15 A. No. Not at Ripple.

16 Q. At Ripple.

17 A. No. He does not work at Ripple.

18 Q. Okay. And he's an investor where?

19 A. I don't know.

20 Q. So what do you mean by saying that he's  
21 now an investor?

22 A. He invests in companies.

23 Q. How do you know that?

24 A. 'Cause he's told me he invests in  
25 companies.

1 Q. Okay. So what kind of advice is Mr. [REDACTED]  
2 asking you for in this email that he sent to you on  
3 August 4, 2018?

4 MS. ZORNBERG: Object to form.

5 THE WITNESS: I don't think he's asking  
6 for advice here. I don't think I said that. He is  
7 looking at a variety of opportunities or ideas where  
8 there might be intersection between Ripple and other  
9 companies.

10 BY MS. GUERRIER:

11 Q. Do you know the types of ideas and  
12 opportunities that he's looking at with respect to  
13 Ripple and other companies?

14 MS. ZORNBERG: Object to form.

15 THE WITNESS: So it looks like he's been  
16 discussing the idea of an XRP reverse auction model  
17 for placing order books as an alternative to the  
18 complexity of Interledger. It looks like [REDACTED]  
19 could be a prime example of where they would be  
20 willing to pay out in a number of countries in local  
21 currency exchange.

22 Looks like they're looking to close a lead  
23 funding round with [REDACTED] Looks like he's  
24 been talking with [REDACTED] the CEO of [REDACTED] who is  
25 open to having [REDACTED] run point on removing the

1 blockers to an xRapid integration. Looks like he's  
2 an investor in both [REDACTED] and Bitso.

3 BY MS. GUERRIER:

4 Q. Okay. So --

5 A. That's, I think, some of the things he's  
6 looking to talk about.

7 Q. -- do you know why he wanted to speak with  
8 you when he sent this email on August 4, 2018?

9 MS. ZORNBERG: Object to form.

10 THE WITNESS: I think he was looking to  
11 bounce these ideas off someone inside of Ripple.

12 BY MS. GUERRIER:

13 Q. Okay. And can you read your response to  
14 Mr. [REDACTED]

15 A. Sure.

16 Q. The first and second paragraph, for the  
17 record.

18 A. Sure.

19 "I've popped the xRapid  
20 opportunity over to the sales team  
21 to see where best to land it.  
22 We've had some discussions in the  
23 past with airdropping XRP into  
24 wallets and have run into a few  
25 challenges. I think the major



1 blocker has been that there aren't  
2 a lot of opportunities for anyone  
3 to spend XRP anywhere since we're  
4 not focused on the consumer space.

5 "To this extent, we always  
6 come round to the sense that the  
7 only thing a consumer can do with  
8 XRP is hold it or sell it for fiat,  
9 neither of which drive much utility  
10 (and frankly Ripple can both hold  
11 and sell pretty easily).

12 "The other challenge is that  
13 in order to create an XRP wallet on  
14 the ledger you have to fund it with  
15 20 XRP which gets locked in the  
16 account, so there's a pretty high  
17 cost just to creating wallets for  
18 consumers. Happy to talk more if  
19 you think we can overcome those  
20 challenges."

21 Q. So going to your statement that "there  
22 aren't a lot of opportunities for anyone to spend  
23 XRP anywhere," was this an accurate statement at the  
24 time you wrote the email in 2018?

25 MS. ZORNBERG: Object to form.



1 THE WITNESS: I would say this is my  
2 opinion.

3 BY MS. GUERRIER:

4 Q. Okay. And then you go on and say that  
5 "we're not focused on the consumer space." So are  
6 you talking about Ripple?

7 MS. ZORNBERG: Object to form.

8 THE WITNESS: I would say the "we" here is  
9 arguably somewhere between Ripple and Xpring, and I  
10 know Xpring is part of Ripple, but --

11 BY MS. GUERRIER:

12 Q. So at the time of this email in August of  
13 2018, Ripple was not focused on the consumer space.  
14 Is that what you're stating in this email?

15 MS. ZORNBERG: Object to form.

16 THE WITNESS: I am stating that in this  
17 email.

18 BY MS. GUERRIER:

19 Q. Okay. So you next say "that the only  
20 thing a consumer can do with XRP is either hold it  
21 or sell it for fiat." Did you believe that  
22 statement to be true when you wrote it?

23 A. I don't know.

24 Again, I think this is a generalization,  
25 similar to the last email.

1 Q. Okay. But continuing on, you say "neither  
2 of which really drive much utility." So did you --  
3 at the time, in August of 2018, there wasn't much  
4 utility for XRP. Is that your statement here?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: I don't think that's what  
7 this statement says.

8 BY MS. GUERRIER:

9 Q. What does it state?

10 A. I think that the only thing a consumer can  
11 do with XRP is hold it or sell it for fiat, neither  
12 of which really drive much utility.

13 Q. So what do you mean by "neither of which  
14 really drive much utility" in this context?

15 A. So the context around this is that  
16 Mr. [REDACTED] is looking at an opportunity to give out  
17 XRP to individual consumers as rewards. And my  
18 response is that if you just give it to users,  
19 mostly they're going to just hold it or sell it for  
20 fiat.

21 Q. 'cause they can't use it. Is that your  
22 statement?

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: I'm saying that, again, the  
25 generalization is that there's -- again, as I said

1 before, this is a broad generalization, but me  
2 saying that the only thing that that user can then  
3 do is hold it or sell it for fiat, which in my  
4 opinion didn't really drive much utility.

5 BY MS. GUERRIER:

6 Q. Okay. You talked about Coil, correct. So  
7 just for clarification, what is Coil?

8 A. Coil is a company.

9 Q. What kind of company?

10 A. A technology company.

11 Q. And did Xpring have any involvement with  
12 Coil?

13 MS. ZORNBERG: Objection. Asked and  
14 answered.

15 THE WITNESS: Yes.

16 BY MS. GUERRIER:

17 Q. And how were they involved with Coil?

18 A. We partnered with Coil and we provided  
19 funding with Coil.

20 Q. In what ways did you partner with Coil?

21 MS. ZORNBERG: Object to form.

22 THE WITNESS: We work with them on  
23 building technology.

24 BY MS. GUERRIER:

25 Q. Okay. What specific technology?



1 A. Primarily Interledger Protocol.

2 Q. Now, did Ripple fund Coil?

3 A. Yes.

4 Q. And how much funding did Ripple provide to  
5 Coil at -- all together, if you know?

6 A. I don't know, all together.

7 Q. Was the funding from Ripple a significant  
8 portion of Coil's funding, to your knowledge?

9 A. I don't know.

10 Q. Do you know how much Ripple provided to  
11 Coil?

12 MS. ZORNBERG: Objection. Asked and  
13 answered.

14 THE WITNESS: Not specifically.

15 BY MS. GUERRIER:

16 Q. Did it fund Coil in XRP?

17 A. I believe so.

18 Q. And do you know what Coil did with the XRP  
19 that it received from Ripple?

20 A. I do not.

21 Q. Do you know if Coil sold the XRP that it  
22 received from Ripple?

23 A. I don't know.

24 Q. Were there any agreements with Coil and  
25 Ripple regarding how Coil could use the XRP? If you



1 know.

2 A. Yes.

3 Q. And what types of agreements with Coil  
4 regarding the use of XRP?

5 A. I don't know the specifics.

6 Q. Okay. Were you involved at all in working  
7 out the agreement between coil and Ripple?

8 A. No.

9 Q. Did Coil have any agreements with Xpring?

10 A. Xpring --

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: Xpring was a part of Ripple.

13 BY MS. GUERRIER:

14 Q. Mh-hmm.

15 A. So agreements with Xpring were not --  
16 there were no agreements with Xpring. They were all  
17 with Ripple.

18 Q. Okay. Was Coil a developer?

19 A. What do you mean when you say a developer.

20 Q. Do you understand what the term  
21 "developer" means in the digital assets space?

22 A. I do, I think so, yes.

23 Q. What is your understanding of that term?

24 A. So I would say a developer is someone who  
25 writes code, writes software code.

1 Q. Now, in your job of create -- working on  
2 the ecosystem, did you work with developers?

3 MS. ZORNBERG: Object to form.

4 THE WITNESS: Yes.

5 BY MS. GUERRIER:

6 Q. So can you name some of the developers  
7 that you worked with?

8 A. Yes. I will say "developer" is a term  
9 that we -- the technology world uses both to  
10 characterize individuals who -- human beings who  
11 write code, as well as companies that build on  
12 technology platforms. And so the companies that I  
13 mentioned previously, like Coil, or like [REDACTED] we at  
14 Xpring considered developers.

15 Q. So these are the specific companies that  
16 build on --

17 A. Yes.

18 Q. -- the XRP platform that you work with?

19 A. Yes.

20 Q. Okay. Did -- and Xpring -- and when I say  
21 Xpring, I'm referring to Ripple since -- based on  
22 your testimony that they're all one of the same. Is  
23 that a correct characterization? I don't want to  
24 mischaracterize your statement.

25 MS. ZORNBERG: Yeah. Objection.

1 THE WITNESS: I think it depends on the  
2 context.

3 BY MS. GUERRIER:

4 Q. All right. Well --

5 A. In terms of signing legal agreements,  
6 there were no agreements with Xpring. The legal  
7 entity was Ripple.

8 Q. Okay. So in the context of your job, did  
9 you -- did you work on any deals with many, many  
10 developers?

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: Yes.

13 BY MS. GUERRIER:

14 Q. What specific deals did you work on?

15 A. I believe we answered this in the past.

16 These were deals, for example, with Coil, with [REDACTED]  
17 with [REDACTED], with [REDACTED].

18 Q. Okay.

19 MS. ZORNBERG: Just note for the record,  
20 for clarification, I'm not sure if the "you" in your  
21 last question was meant Ethan Beard personally or  
22 Xpring.

23 BY MS. GUERRIER:

24 Q. So -- I'll clarify.

25 So you, as SVP of Xpring -- and that's



1 what I'm talking about, did you work with developers  
2 in creating deals with Ripple?

3 A. Yes.

4 Q. Is your answer the same?

5 A. I don't know. Can you ask them again?

6 Thank you for that clarification.

7 MS. GUERRIER: I'm sorry, can you please  
8 repeat the question.

9 (Record read by the reporter  
10 as follows:

11 "QUESTION: What specific  
12 deals did you work on?"

13 THE WITNESS: Got it. Helpful. Thank  
14 you.

15 And can you clarify what you mean by "work  
16 on"?

17 BY MS. GUERRIER:

18 Q. Well, did you have any input in any of the  
19 deals with the developers that you were working on?

20 A. Yes.

21 Q. Okay. What sort of input did you have?

22 A. I would have input ranging on structuring  
23 of a deal or approval of a deal.

24 Q. Did you sign any of the deals?

25 A. Yes.



1 Q. Do you recall which ones you signed?

2 A. I believe I signed most of them.

3 Q. Okay.

4 MS. GUERRIER: This is unmarked. I'm  
5 going to hand you a document that has not been  
6 premarked, so I think we're going to just have to  
7 mark it. If you could.

8 MS. ZORNBERG: For the folks on Zoom, can  
9 you read the Bates number or will it be sent?

10 MS. GUERRIER: I'm just waiting for her  
11 to --

12 Okay. So this is going to be Exhibit 5.

13 (Whereupon, Deposition Exhibit EB-5  
14 was marked for identification.)

15 BY MS. GUERRIER:

16 Q. Okay. I've handed you documents Bates SEC  
17 0413724. And it's -- it ends at 0413725, if you  
18 flip to the back.

19 A. Okay.

20 Q. Okay. So Exhibit 5 is an email from  
21 Stacey Ngo dated July 2nd, 2019, to you. And the  
22 subject line is forwarding a Xpring -- and it's  
23 "Xpring Momentum EOD Recap."

24 Do you see that?

25 A. I do.

1 Q. Do you recognize the exhibit?

2 A. Yeah. It looks to be as you described.

3 Q. Okay. Do you know what this string of  
4 emails is about in Exhibit 5?

5 A. This appears to be a summary of  
6 communications, outreach -- or activity, I would  
7 say.

8 Q. Does this have to do with any of the deals  
9 that Xpring was involved in around the -- July 2019?

10 A. I don't know if it's about specific deals.  
11 I think it's about Xpring as a whole.

12 Q. So if you flip the page to document  
13 number 0413725, and I believe it talks about some  
14 press coverage?

15 A. Yes.

16 Q. Do you recall any of the deals under the  
17 coverage heading? Or was it just one deal?

18 MS. ZORNBERG: Object to form. Misstates  
19 prior testimony. Lack of foundation.

20 THE WITNESS: I don't have links to these  
21 articles themselves, so I don't know what the  
22 reporting was. It looks like, at the least, we've  
23 talked about -- we're talking about the total  
24 dollars as well as the total number of companies.

25 / /

1 BY MS. GUERRIER:

2 Q. So do you recall Xpring investing [REDACTED]

3 [REDACTED] dollars into 20 companies to boost XRP?

4 A. Yes. [REDACTED].

5 Q. [REDACTED].

6 A. Yes.

7 Q. And were you involved in any of those  
8 deals between Xpring and the companies that are  
9 referenced in this email?

10 A. Yes.

11 MS. ZORNBERG: Objection.

12 THE WITNESS: Sorry.

13 MS. ZORNBERG: What companies referenced?

14 MS. GUERRIER: Well, in general, the 20  
15 companies that this email refers to.

16 MS. ZORNBERG: Object to form.

17 THE WITNESS: I don't know the 20 specific  
18 companies here, so I can't speak to them  
19 specifically.

20 BY MS. GUERRIER:

21 Q. Were you, as SVP of Xpring, involved in  
22 the [REDACTED] deals with 20 companies, between  
23 Xpring and the 20 companies?

24 MS. ZORNBERG: Objection. [REDACTED].

25 THE WITNESS: Again, I don't want to speak



1 about these specific companies without having a  
2 list, but I would say, overall, I led the Xpring  
3 team, and so this -- these activities took place  
4 primarily with people on my team.

5 BY MS. GUERRIER:

6 Q. Okay.

7 A. Not exclusively.

8 Q. So is it -- was Xpring just actively  
9 investing in developer projects?

10 MS. ZORNBERG: Object to form.

11 THE WITNESS: At this time?

12 BY MS. GUERRIER:

13 Q. I'm talking about this email. Yes.  
14 June 2000 -- July 2019.

15 A. Yes. We were investing in partnering with  
16 companies.

17 Q. Okay. Was there a criteria for picking  
18 the companies that you were partnering with?

19 A. Yes.

20 Q. Do you recall the criteria for picking  
21 companies that you -- that Xpring was dealing with?

22 A. I don't. It was not that specific.

23 Q. Okay. And who created the criteria for  
24 picking companies in which Xpring would be  
25 investing?



1 MS. ZORNBERG: Objection. Lack of  
2 foundation.

3 THE WITNESS: As I stated, I think the  
4 criteria was not specific.

5 BY MS. GUERRIER:

6 Q. Well, who created the criteria? That was  
7 my question.

8 MS. ZORNBERG: Object to form.

9 THE WITNESS: Sorry. Which criteria?

10 BY MS. GUERRIER:

11 Q. For choosing -- my question was who  
12 created the criteria for choosing the companies in  
13 which Xpring invested?

14 MS. ZORNBERG: Object to form. Lack of  
15 foundation.

16 THE WITNESS: So I think the criteria  
17 you're referring to, as I said, was not specific.

18 BY MS. GUERRIER:

19 Q. Okay. But was there a criteria?

20 A. Yes.

21 Q. Did somebody create the criteria?

22 A. Yes.

23 Q. Who created the criteria?

24 A. Myself and the team Xpring.

25 Q. And who, other than you at the team, as

1 part of the Xpring team, created the criteria?

2 MS. ZORNBERG: Object to form.

3 THE WITNESS: I -- not knowing exactly  
4 what criteria, I'm not sure I could say specifically  
5 whom.

6 BY MS. GUERRIER:

7 Q. Well, you said -- did you not say there  
8 was a criteria?

9 A. Yes.

10 Q. Okay. So -- and you created the criteria  
11 with your team?

12 A. Correct.

13 Q. So who are the team members with whom you  
14 created the criteria?

15 MS. ZORNBERG: Object to form.

16 THE WITNESS: I don't have a list of all  
17 of my members of team Xpring conveniently located.  
18 Would you like me to just names the ones I can  
19 remember?

20 BY MS. GUERRIER:

21 Q. I mean, yes. That would be helpful.

22 A. Okay. So people I remember on team  
23 Xpring. [REDACTED] Again --  
24 actually, I should caveat, as of this date, I don't  
25 know. So this is in my two-and-a half year tenure

1 these are people part of team Xpring.

2 Q. Okay. Let's -- let's try to stay within  
3 the context of the --

4 A. Sure.

5 Q. -- July 2nd, 2019 email.

6 A. I don't know who was part of team Xpring  
7 as of July 2nd, 2019.

8 Q. Okay. Did you receive any media coverage  
9 with regard to the [REDACTED] investment that  
10 you're talking about in the July 2nd, 2019 email?

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: I don't remember the  
13 specifics, but from this email, it appears that we  
14 received five media reports.

15 BY MS. GUERRIER:

16 Q. Did you specifically give any press  
17 conferences or interviews regarding the [REDACTED]  
18 investment into the 20 companies referenced in the  
19 July 2nd email, July 2nd, 2019 email?

20 A. I don't recall.

21 MS. GUERRIER: This is unmarked. We're  
22 going to mark it as Exhibit 6, please.

23 (Whereupon, Deposition Exhibit EB-6  
24 was marked for identification.)

25 THE WITNESS: Thank you.

1 BY MS. GUERRIER:

2 Q. I've handed you a document Bates stamped  
3 SEC 0468211. It's an email from [REDACTED] to you,  
4 and there are other Ripple employees. And it's  
5 dated July 29th, 2019, with the subject, "SFBT  
6 article."

7 Do you see that?

8 A. Yes.

9 Q. If you could just let me know when you are  
10 done with this?

11 A. Yeah.

12 Okay.

13 Q. So does this refresh your recollection as  
14 to whether or not you gave some interviews or press  
15 regarding the Xpring [REDACTED]  
16 investment into companies?

17 A. So this -- from this email, it looks like  
18 I gave an interview with [REDACTED].

19 Q. Do you recall what you were discussing  
20 with [REDACTED]?

21 A. I don't recall.

22 Q. Okay. Were you talking about the specific  
23 investments into these companies?

24 MS. ZORNBERG: Object to form.

25 THE WITNESS: I -- I don't recall the



1 conversation.

2 BY MS. GUERRIER:

3 Q. Okay. So going back to **Coil**, do you  
4 recall what **Coil** did with the XRP that it received  
5 from Xpring?

6 MS. ZORNBERG: Objection.

7 THE WITNESS: I -- not do I not recall. I  
8 don't know. I don't think I ever knew.

9 BY MS. GUERRIER:

10 Q. So did you have any involvement at all in  
11 following up with **Coil** to determine what they would  
12 be doing with the XRP that they received?

13 A. Yes.

14 Q. And what sort of responsibility is it you  
15 had with regard to specifically following up with  
16 **Coil** to determine what they did with the XRP?

17 A. So **Coil** was making investments or doing  
18 partnerships with companies. And they would send  
19 those companies to me to get my sign-off so that  
20 Ripple would deploy the XRP to them.

21 Q. So deploy the XRP to whom?

22 A. To **Coil**.

23 Q. Okay. Did Ripple deploy XRP to companies  
24 through **Coil**?

25 A. No.

1 Q. Are you familiar with a company named  
2 GateHub?

3 A. Yes.

4 Q. What is GateHub?

5 A. GateHub is a cryptocurrency company.

6 Q. Did it have any relationship with Coil?

7 A. I believe so.

8 Q. Okay. Do you know what the relationship  
9 between GateHub and Coil was?

10 A. I would be guessing.

11 Q. Okay. Do you know if Ripple ever funded  
12 GateHub's operations at any time?

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: I don't know.

15 BY MS. GUERRIER:

16 Q. Do you know if they sent money to Coil to  
17 be -- as a conduit to GateHub?

18 MS. ZORNBERG: Objection.

19 THE WITNESS: I don't know.

20 BY MS. GUERRIER:

21 Q. And do you know if Coil basically sold the  
22 XRP that it received from Ripple into the secondary  
23 market?

24 MS. ZORNBERG: Objection.

25 THE WITNESS: I don't know.

1 BY MS. GUERRIER:

2 Q. Were there any specific agreements with  
3 Coil managing how Coil could use the XRP that it  
4 received?

5 A. Yes.

6 MS. ZORNBERG: Objection. Asked and  
7 answered.

8 BY MS. GUERRIER:

9 Q. What type of -- what type of agreement  
10 with Coil?

11 MS. ZORNBERG: Objection. Asked and  
12 answered.

13 THE WITNESS: There was a legal agreement  
14 between Ripple and Coil.

15 BY MS. GUERRIER:

16 Q. And what specifically did the legal  
17 agreement require Coil to do with respect to XRP  
18 being used?

19 MS. ZORNBERG: Objection.

20 THE WITNESS: I don't know all the  
21 specifics of a contract, but it spelled out amounts,  
22 requirements, restrictions.

23 BY MS. GUERRIER:

24 Q. What do you mean by "restrictions"?

25 A. It's a legal contract, so they're filled



1 with lots of things you can't do.

2 Q. Okay. Now, was it restriction with  
3 respect to how **Coil** could use XRP?

4 A. Yes.

5 Q. Do you recall what specifically the  
6 restrictions were?

7 A. I recall restrictions that **Coil** must use  
8 the XRP to build an ecosystem around XRP or ILP.

9 Q. Did **Coil**, in fact, use the XRP to build  
10 any ecosystem?

11 A. I don't know.

12 Q. Okay. And you mentioned [REDACTED] as one of  
13 the companies that you worked with earlier; is that  
14 correct?

15 A. I did.

16 Q. Okay. So what is [REDACTED]?

17 A. [REDACTED] is a technology company.

18 Q. What type of technology company?

19 A. They were building a gaming platform.

20 Q. Was there a specific agreement between  
21 Ripple and [REDACTED] when you worked at Ripple?

22 A. Yes.

23 Q. What type of agreement?

24 A. It was a -- I believe a marketing  
25 agreement.



1 Q. Did Ripple provide any funding to [REDACTED]?

2 A. Can you clarify what you mean by  
3 "funding"?

4 Q. Did Ripple give money to [REDACTED]?

5 A. Yes.

6 MS. ZORNBERG: Object to form.

7 BY MS. GUERRIER:

8 Q. Did Ripple give XRP to [REDACTED]?

9 A. Yes.

10 Q. Do you know how much XRP [REDACTED] received  
11 from Ripple over the time that you worked as SVP of  
12 Xpring?

13 A. I don't remember specifically.

14 Q. And do you know what [REDACTED] did with the  
15 XRP that it received from Ripple?

16 A. No.

17 Q. And was there -- were there any  
18 restrictions on [REDACTED] as to how it could use its  
19 XRP?

20 A. Yes.

21 Q. What types of restrictions, if you recall?

22 A. There were restrictions on -- [REDACTED] was  
23 required to use the XRP to build out an ecosystem of  
24 developers on top of their gaming platform.

25 Q. Do you know if, in fact, [REDACTED] used the

1 XRP that it received from Ripple?

2 MS. ZORNBERG: Object to form.

3 THE WITNESS: I'd say my understanding is  
4 yes, but I don't have -- I can't see their account,  
5 so I don't know. From what they've told me, yes.

6 BY MS. GUERRIER:

7 Q. Do you know if they sold the XRP into the  
8 secondary market?

9 A. I don't know.

10 Q. Okay. Would you have been concerned if  
11 they were selling the XRP that they were receiving  
12 from Ripple?

13 MS. ZORNBERG: Objection. Speculative.

14 THE WITNESS: Sorry, the question is would  
15 I have been concerned? I think the answer to that  
16 is yes.

17 BY MS. GUERRIER:

18 Q. Why would you have been concerned if they  
19 were selling the XRP into the secondary market?

20 MS. ZORNBERG: Objection.

21 You can answer.

22 THE WITNESS: There were, in our  
23 agreement, restrictions from them selling  
24 significant amounts. And I also would have been  
25 concerned if it was in violation of the other parts

1 of the agreement.

2 MS. GUERRIER: I think this is a good time  
3 to take a break.

4 MS. ZORNBERG: Whatever suits you.

5 MS. GUERRIER: Yeah.

6 THE WITNESS: Okay.

7 THE VIDEOGRAPHER: Okay. Off the record  
8 at 12:14 p.m.

9 (Whereupon, a recess was taken.)

10 THE VIDEOGRAPHER: This is the start of  
11 file 3. We're back on the record at 12:33 p.m.

12 MS. ZORNBERG: Mr. Beard wanted to make a  
13 small clarification on the record.

14 Do you want to --

15 THE WITNESS: Yeah. Absolutely. Excuse  
16 me. So we had discussed a number of the deals that  
17 team Xpring worked on, and I just wanted to clarify  
18 that there were -- well, you had asked around  
19 involvement of deals. I was involved with many of  
20 the deals. There were some deals that I did not  
21 negotiate. So specifically the deals for **Coil** and  
22 for [REDACTED] were negotiated and put in place prior to  
23 or independently of my involvement with Xpring.

24 BY MS. GUERRIER:

25 Q. Okay. Speaking -- do you know if Ripple



1 sold XRP to anyone that you -- that Coil was working  
2 with?

3 MS. ZORNBERG: Object to form.

4 THE WITNESS: I don't know.

5 BY MS. GUERRIER:

6 Q. Let me rephrase that, 'cause I just need  
7 to make sure that the question is clear. I think I  
8 just boggled it.

9 But did you know whether the entities that  
10 received XRP sold to anyone using the platforms that  
11 you worked with, such as Coil, et cetera?

12 MS. ZORNBERG: Objection to form.

13 THE WITNESS: I don't know.

14 BY MS. GUERRIER:

15 Q. You don't. Okay.

16 This is an unmarked exhibit. It's going  
17 to be Exhibit 7. Let me just read the Bates. Bates  
18 numbers beginning with 0875694 and ending at  
19 0875696.

20 (Whereupon, Deposition Exhibit EB-7  
21 was marked for identification.)

22 BY MS. GUERRIER:

23 Q. So if you could just let me know when  
24 you're done reviewing the Exhibit 8 -- 7.

25 A. Okay.



1 Q. So this is an email from you to [REDACTED]  
2 [REDACTED] dated March 20th, 2019. And the subject is  
3 "GateHub LTD."

4 Do you see that?

5 A. I do.

6 Q. Okay. So do you have a general  
7 understanding of what this email is about?

8 MS. ZORNBERG: Object to form. It's an  
9 email chain. What email are you directing him to?

10 MS. GUERRIER: I just read the email dated  
11 March 20th, 2019, from Ethan Beard to [REDACTED]  
12 [REDACTED] with the subject "Gatehub LTD." That's what  
13 I'm referring to.

14 MS. ZORNBERG: Object to form.

15 THE WITNESS: Yes.

16 BY MS. GUERRIER:

17 Q. What is this email about?

18 A. This email is me telling [REDACTED] that I'm  
19 going to check in with finance to get their  
20 preferences.

21 Q. So was this email concerning an inquiry  
22 about -- from Coil regarding who would be paying a  
23 service contract with respect to GateHub?

24 MS. ZORNBERG: Object to form.

25 THE WITNESS: This email that I sent?

1 BY MS. GUERRIER:

2 Q. No. You are responding to, when you say  
3 let me check with finance and preference.

4 MS. ZORNBERG: Object to form.

5 THE WITNESS: So you're asking about the  
6 email from Mr. Thomas?

7 BY MS. GUERRIER:

8 Q. What were you responding to Mr. --

9 A. I was replying to an email from Mr. [REDACTED]  
10 dated March 20th, 2019.

11 Q. And what did Mr. [REDACTED] seek from you --

12 MS. ZORNBERG: Object to form.

13 BY MS. GUERRIER:

14 Q. -- in his email of March 20th, 2019?

15 MS. ZORNBERG: Object to form.

16 THE WITNESS: In reading the email from  
17 Mr. Thomas, he is looking to understand how this  
18 opportunity with GateHub fits into the contractual  
19 relationship between Coil and Ripple.

20 BY MS. GUERRIER:

21 Q. Okay. Is Mr. [REDACTED] asking who would be  
22 paying the contract between GateHub and Coil?

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: In reading this email, it  
25 looks as though he's trying to understand who is --

1 how Gatehub is going to get paid, according to the  
2 terms of the contract between Ripple and Coil.

3 BY MS. GUERRIER:

4 Q. Why would this email be responded by you?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: So the Coil -- the Coil  
7 deal, which I was not involved in putting together,  
8 was -- the relationship was basically handed to team  
9 Xpring and to my team to manage on an ongoing basis.

10 BY MS. GUERRIER:

11 Q. So in March 2019, were you responsible for  
12 managing the Coil deal?

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: I would say I was  
15 responsible for the relationship.

16 BY MS. GUERRIER:

17 Q. Okay. So do you see where Mr. [REDACTED] says  
18 that Ripple has set aside [REDACTED] XRP  
19 to be used at Coil's discretion?

20 A. I do.

21 Q. Were you aware that Ripple had set aside  
22 [REDACTED] XRP to be used at Coil's discretion?

23 A. I -- I don't recall if I was aware as of  
24 this date.

25 Q. Okay. So going further in the same email,



1 the March 20th, 2019, from [REDACTED]  
2 [REDACTED] he states two conditions in that email with  
3 regard to the [REDACTED] XRP? The support of the  
4 XRP/IL [sic] ecosystem, and the other condition is  
5 that it be tax deductible for Ripple.

6 Do you see that?

7 A. I do.

8 Q. Okay. Do you know why he would ask you --  
9 refer to the GateHub project and state that it would  
10 fulfill these criteria?

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: I don't.

13 BY MS. GUERRIER:

14 Q. So -- and when you respond on the 20th,  
15 March 20th, 2019, "let me check with finance in  
16 preference," what were you going to check with  
17 finance?

18 MS. ZORNBERG: Object to form.

19 THE WITNESS: Since I was not involved  
20 with negotiating this deal, I was not familiar with  
21 the terms and so didn't feel as though I could  
22 answer questions regarding how an individual  
23 relationship would fit into the terms. And so I was  
24 going to check with finance to get a sense as to  
25 their understanding.



1 BY MS. GUERRIER:

2 Q. Did you become familiar with the terms of  
3 the agreement between Ripple and Coil as it relates  
4 to GateHub?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: I would say I became more  
7 familiar, certainly through emails like this one.

8 BY MS. GUERRIER:

9 Q. Okay. So did Ripple ultimately pay the  
10 service contract between Coil and GateHub?

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: I don't remember what the --  
13 in what form that payment went through.

14 BY MS. GUERRIER:

15 Q. Did that payment go through?

16 A. I believe so.

17 Q. Okay. With regard to [REDACTED], do you know  
18 if Ripple paid any of [REDACTED] expenses?

19 MS. ZORNBERG: Object to form.

20 THE WITNESS: Can you clarify what you  
21 mean by "expenses."

22 BY MS. GUERRIER:

23 Q. Do you understand what "expenses" mean in  
24 general?

25 MS. ZORNBERG: Objection.

1 THE WITNESS: Yes.

2 BY MS. GUERRIER:

3 Q. What is your understanding of expenses?

4 A. Expenses are costs that a company incurs.

5 Q. Okay. So did Ripple pay any of [REDACTED]  
6 expenses, as you understand that term?

7 A. Not that I'm aware of.

8 Q. When you say not that you're aware of,  
9 would it have been possible that Ripple were paying  
10 for these expenses but you didn't know about it?

11 MS. ZORNBERG: Objection. And don't  
12 guess.

13 THE WITNESS: I don't -- I just ran a  
14 small piece of Ripple. I don't know everything that  
15 Ripple is doing.

16 BY MS. GUERRIER:

17 Q. Okay. Did you interact with [REDACTED] at all  
18 as part of your job?

19 A. Yes.

20 Q. How -- what types of interactions did you  
21 have with [REDACTED]?

22 A. Generally, emails or meetings with the CEO  
23 of [REDACTED].

24 Q. Okay. What were those meetings about, in  
25 general?

1           A.    Generally, they were about the product  
2   that they're building and the progress they were  
3   making.

4           Q.    Okay.  And specifically, what was the  
5   product again?

6           A.    [REDACTED] is building a platform for game  
7   developers.

8           Q.    Did [REDACTED] send any bills to Ripple on a  
9   consistent basis to be paid?

10           MS. ZORNBERG:  Object to form.

11           THE WITNESS:  No.

12           MS. GUERRIER:  I'm going to hand you  
13   premarked Exhibit 39, Bates stamped 0451655.

14                   (Whereupon, Deposition Exhibit EB-39  
15           was marked for identification.)

16           THE WITNESS:  Okay.

17   BY MS. GUERRIER:

18           Q.    So -- and this is an email from you dated  
19   August 12, 2019, to [REDACTED].  And the subject is  
20   "Medium post for Coil."

21                   Can you tell me what this email is about?

22           A.    This is an email with some ideas that I'm  
23   having for a blog post.

24           Q.    What kind of ideas were you having for  
25   this blog post?



1 MS. ZORNBERG: Object to form.

2 THE WITNESS: So these ideas are around  
3 communicating what we're doing on Xpring and how our  
4 various partnerships fit into that.

5 BY MS. GUERRIER:

6 Q. Okay. So if you could read the first  
7 point under your title, "A few things I think we  
8 should touch on."

9 A. Certainly.

10 "All XRP that Xpring deploys  
11 is with the purpose of building an  
12 ecosystem around XRP."

13 Q. Okay. So what do you mean by "the purpose  
14 of building an ecosystem around XRP"?

15 A. By building an ecosystem around XRP, I  
16 mean companies that are building on XRP Ledger.

17 Q. Your next statement, if you could please  
18 read that into the record?

19 A. Sure.

20 "Our largest deals like this  
21 of **Coil** and that of [REDACTED] are for  
22 them to build platform that deeply  
23 embed XRP and ILP and then capital  
24 to help drive adoption of their  
25 platforms. They are, in essence,



1 extensions of Xpring."

2 Q. So what do you mean by [REDACTED] and Coil  
3 building platform that deeply embed XRP?

4 A. So what this refers to is that there  
5 are -- when looking to build an ecosystem, we were  
6 partnering or investing in companies that were  
7 directly using our technologies, or we were  
8 partnering with companies that were building  
9 technology platforms of their own.

10 And so, for example, with a company like  
11 [REDACTED], if they were using our technology and they  
12 opened their developer platform, then, by default,  
13 they'd be using our technology as well. And so they  
14 were -- that gave us leverage in that we didn't have  
15 to have all the individual relationships with every  
16 single developer. We could get them by extension  
17 through a partner.

18 Q. Okay. And then what do you mean by  
19 "driving adoption to their platform"?

20 A. So that -- saying that we would provide  
21 capital to help drive an option to their platform,  
22 so that they have a developer platform that is using  
23 our technology, and we would provide marketing  
24 dollars and funds to help bring developers on to  
25 their technology platform.

1 Q. Okay. So was the purpose to then have XRP  
2 be made available to these developers?

3 MS. ZORNBERG: Object to form.

4 THE WITNESS: The purpose was to have  
5 those developers building on a platform, a  
6 technology platform, that included the technology  
7 that we were looking to drive adoption of.

8 BY MS. GUERRIER:

9 Q. Did that factor in XRP at all?

10 MS. ZORNBERG: Object to form.

11 THE WITNESS: We were building around XRP  
12 Ledger, so yes, XRP and XRP Ledger are the same  
13 thing.

14 BY MS. GUERRIER:

15 Q. I'm talking about the actual --

16 THE REPORTER: I'm sorry, can you repeat  
17 that?

18 BY MS. GUERRIER:

19 Q. I'm talking about the actual XRP token.

20 MS. ZORNBERG: Object to form.

21 THE WITNESS: I'm sorry, what's your  
22 question?

23 BY MS. GUERRIER:

24 Q. The question is, driving developers to the  
25 platform, was that the purpose of that so that they

1 can basically have the XRP availability to them?

2 MS. ZORNBERG: Object to form.

3 THE WITNESS: Sorry, can you repeat the  
4 question for me?

5 (Record read by the reporter  
6 as follows:

7 "QUESTION: The question is,  
8 driving developers to the  
9 platform, was that the purpose of  
10 that so that they can basically  
11 have the XRP availability to  
12 them?")

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: Sorry, do you think you can  
15 clarify that question for me?

16 BY MS. GUERRIER:

17 Q. So was the purpose of bringing all these  
18 developers into the platforms making more developers  
19 available to basically facilitate selling XRP to the  
20 public?

21 MS. ZORNBERG: Object to form.

22 THE WITNESS: No. We had nothing involved  
23 with selling XRP to the public.

24 BY MS. GUERRIER:

25 Q. Did the developers that you brought into



1 the platform sell XRP to the public?

2 A. I don't know.

3 Q. What did you mean by they are, in essence,  
4 an extension of Xpring, in your email of  
5 August 12th, 2019?

6 MS. ZORNBERG: Objection. Slightly  
7 misread.

8 THE WITNESS: So what I meant by this, so  
9 Xpring, we were building a developer platform that  
10 enabled developers to build on top of XRP Ledger.  
11 And by working with other companies that are  
12 building a developer platform and having -- putting  
13 together relationships with those companies embedded  
14 the technology, then those companies became  
15 developer platforms that were using XRP Ledger.

16 And so in essence, they allowed me, me,  
17 Xpring, they allowed Xpring to reach far more  
18 developers without us having to go actually build  
19 those relationships one at a time.

20 BY MS. GUERRIER:

21 Q. Did the fact that Ripple was funding these  
22 developers have anything to do with them being an  
23 extension of Xpring?

24 MS. ZORNBERG: Object to form.

25 THE WITNESS: Sorry, to clarify. The --



1     there are two set of developers here so I want to  
2     make sure I'm clear on what I'm saying, is the  
3     "they" in this statement refers to companies like  
4     Coil and [REDACTED].

5     BY MS. GUERRIER:

6             Q.    The companies that are -- that are being  
7     discussed in this email?

8             A.    Correct. But the adoption of -- on their  
9     platform are third-party companies that are building  
10    on their platforms. So we, Ripple, we have a  
11    platform that allows developers to easily use XRP  
12    Ledger. And we could go out and build all -- for  
13    example, all the services for game developers. But  
14    the gaming industry is very big, so rather than  
15    building all that technology ourselves, we went to a  
16    company like [REDACTED] who is building a company to  
17    reach game developers and we said, great, we'll work  
18    with you to enable XRP Ledger so that you can reach  
19    your developers.

20            And so the -- [REDACTED] is acting, in essence,  
21    like an extension of Xpring in that they have built  
22    a developer platform that uses our technology.

23            Q.    Is it acting as an extension of Xpring to  
24    the extent that it's -- Ripple is controlling what  
25    [REDACTED] can do?

1 MS. ZORNBERG: Objection. Misstates  
2 past -- prior testimony.

3 THE WITNESS: I think it's an extension of  
4 Xpring to the extent that it extends our developer  
5 platform to reach a whole new set of developers.

6 BY MS. GUERRIER:

7 Q. Was Ripple controlling [REDACTED] in that  
8 aspect?

9 MS. ZORNBERG: Object to form.

10 THE WITNESS: No. Ripple had a  
11 contractual relationship with [REDACTED].

12 BY MS. GUERRIER:

13 Q. So are you saying that [REDACTED] were  
14 independent of Xpring?

15 A. Yes.

16 Q. And that -- was Ripple not influencing  
17 Xpring's actions?

18 MS. ZORNBERG: Object to form.

19 THE WITNESS: What do you mean by  
20 influencing?

21 BY MS. GUERRIER:

22 Q. By funding [REDACTED] did Ripple have any  
23 influence on what Xpring could do?

24 MS. ZORNBERG: Object to form.

25 THE WITNESS: We had a contractual

1 relationship between [REDACTED] and Ripple that spelled  
2 out requirements on both parties.

3 BY MS. GUERRIER:

4 Q. So was Ripple -- just -- was Ripple  
5 controlling -- regardless of this contract, but the  
6 reality of the Ripple and [REDACTED] relationship, was  
7 that Ripple was controlling how Xpring could act in  
8 terms of as a developer?

9 MS. ZORNBERG: Objection.

10 THE WITNESS: I think what you meant to  
11 say was how [REDACTED] was acting.

12 BY MS. GUERRIER:

13 Q. I'm sorry, how Forte -- yes.

14 MS. ZORNBERG: Yeah, object to the form of  
15 the question.

16 THE WITNESS: I'm sorry, can you read that  
17 back to me?

18 (Record read by the reporter  
19 as follows:

20 "QUESTION: So was Ripple --  
21 just -- was Ripple controlling --  
22 regardless of this contract, but  
23 the reality of the Ripple and  
24 [REDACTED] relationship, was that  
25 Ripple was controlling how Xpring



1           could act in terms of as a  
2           developer?" )

3           MS. ZORNBERG: Object to form.

4           THE WITNESS: [REDACTED] is a very well  
5           established company with a number of  
6           exceptionally -- exceptionally high quality  
7           institutional investors and incredible  
8           entrepreneurs, and is exceptionally independent,  
9           acting completely independently from Ripple and  
10          Xpring.

11          MS. GUERRIER: Okay. Let me hand you  
12          this. This is going to be Exhibit 8.

13                 (Whereupon, Deposition Exhibit EB-8  
14                 was marked for identification.)

15          MS. GUERRIER: Lunch break after this.  
16          Bates number 0767704 to 0767706.

17          THE WITNESS: Okay.

18          BY MS. GUERRIER:

19                 Q. Okay. So do you have a general idea of  
20          what this email from you dated March 8, 2019, to  
21          [REDACTED] and copying yourself and a bunch of  
22          other people, the subject is "PR draft finalized,"  
23          what this email concerns?

24                 A. Yes.

25                 Q. And what is this email about?



1 MS. ZORNBERG: Objection to form.

2 THE WITNESS: This email is about some  
3 communications and press that we were working on  
4 which was going to discuss the [REDACTED] and Ripple  
5 relationship.

6 BY MS. GUERRIER:

7 Q. Was there a problem with the [REDACTED] and  
8 Ripple relationship that raised concern in this  
9 email?

10 A. No.

11 MS. ZORNBERG: Object to form.

12 THE WITNESS: Sorry.

13 BY MS. GUERRIER:

14 Q. So if you could please read your statement  
15 in the first paragraph, please.

16 A. "Thanks, [REDACTED] this all makes sense."

17 Q. The second paragraph.

18 A. "On the equity piece, we don't feel  
19 strongly that we need to be listed. I just want to  
20 avoid a situation where we're answering the question  
21 without specifically answering it (i.e., here's a  
22 long list of investors but we won't confirm or deny  
23 if Ripple is also on the list) which puts us in a  
24 situation where there's speculation that we're not  
25 controlling. If people assume from our nonanswer

1     that the answer is yes, then there's a distinct  
2     possibility they read the worst into the situation  
3     (i.e., [REDACTED] is deep in bed with Ripple via  
4     investment and Ripple is throwing around weight as  
5     an investor to ram through our agenda) rather than  
6     the message we want (i.e., Ripple participating in  
7     an investing round alongside other great investors  
8     in a great company innovating in blockchain."

9           Q.    So the message that you claim in this  
10    email that you want, was this an accurate message  
11    that -- regarding that you want investors to see  
12    Ripple participating in investing round alongside  
13    other great investors?

14           MS. ZORNBERG: Object to form. And --  
15    object to form. Partial reading.

16           You can answer if you understand.

17           THE WITNESS: Sorry. Are you asking --

18    BY MS. GUERRIER:

19           Q.    What did you mean by this statement, the  
20    last statement in the paragraph that you just  
21    read --

22           MS. ZORNBERG: Object to form.

23    BY MS. GUERRIER:

24           Q.    -- beginning with "If people assume from  
25    our nonanswer"?

1           A.    So there was discussion as to whether we  
2    would include Ripple as a list of investors in  
3    ██████████ press, and if we would then -- if we didn't,  
4    if we would -- how we would answer if someone asked.  
5    And I was pushing for transparency where I wanted us  
6    to be able to be open and honest with what we were  
7    doing rather than neither saying yes or no. And so  
8    what this statement is saying is if we don't say yes  
9    or no, then we lose control of the messaging  
10   entirely and people can assume anything.

11           Q.    So why was there push back from including  
12   Ripple as an investor in ██████████?

13           MS. ZORNBERG: Object to form.

14           THE WITNESS: Sorry, where are you seeing  
15   the push back?

16           BY MS. GUERRIER:

17           Q.    Well, what are you -- why are you making a  
18   comparison of not including the information that  
19   Ripple was an investor in ██████████ versus including it?

20           MS. ZORNBERG: Object to form. Misstates  
21   the document.

22           THE WITNESS: So reading on in this email,  
23   I say:

24                   "I totally understand this --  
25   not wanting this to devolve into a



1 ledger holy war."

2 I would say that the cryptocurrency  
3 industry tends to be characterized by what are often  
4 called maximalists, which are people who believe  
5 that there will be just one blockchain and the rest  
6 of them will disappear.

7 [REDACTED] was very interested in -- is very  
8 interested in being a company that works across  
9 multiple blockchains. And so they're expressing,  
10 and I'm agreeing, that we should make sure that  
11 there's messaging out there that does not push them  
12 in a world where -- as I say here, there's a ledger  
13 holy war, where they are positioned as only building  
14 on a single blockchain, because that's not what  
15 they're doing. And so just being mindful about how  
16 we communicate that publicly.

17 BY MS. GUERRIER:

18 Q. So were they concerned that were -- if it  
19 looked like the business interests were intertwined  
20 that this have would hurt them --

21 MS. ZORNBERG: Object to form.

22 BY MS. GUERRIER:

23 Q. -- financially?

24 MS. ZORNBERG: Objection.

25 THE WITNESS: I wouldn't want to speak for



1       them.

2       BY MS. GUERRIER:

3           Q.     Okay. Well, if you read -- go down to  
4       Mr. [REDACTED] email, the fourth paragraph where  
5       he states that:

6                        "I think people are less  
7       likely to buy."

8           Is that the email that you are responding  
9       to?

10          MS. ZORNBERG: Object to form.

11          THE WITNESS: That is the email I am  
12       responding to.

13       BY MS. GUERRIER:

14           Q.     Okay. So why was he concerned that  
15       including Ripple as an investor in [REDACTED] would hurt  
16       their company financially?

17          MS. ZORNBERG: Object to form.

18          THE WITNESS: Where does it say he's  
19       concerned about it hurting them financially?

20       BY MS. GUERRIER:

21           Q.     If you read -- can you read the sentence,  
22       "I think that people are less likely to buy"?

23           A.     Can you finish reading -- sorry. I will  
24       read that sentence. "I think that people are less  
25       likely to buy that," referring to the messaging.

1 Q. And "the more it looks like business  
2 interests are intertwined"?

3 MS. ZORNBERG: Object to form.

4 THE WITNESS: So this document is working  
5 on messaging. We're trying to figure out messaging,  
6 public messaging and communications. And so we want  
7 to make sure that it's very clear what the message  
8 is and avoid ambiguity. And so this statement from  
9 him, I don't want to read into what the "that" is,  
10 but it's referring to some messaging that we were  
11 debating, saying that I think that more -- I think  
12 that more -- I think that people are less likely to  
13 buy that the more it looks like the businesses are  
14 intertwined.

15 [REDACTED] wanted to make sure that they were  
16 portrayed as working with many different block  
17 chains because they do, and they were concerned that  
18 if Ripple was very prominent in their  
19 communications, that they would be portrayed in the  
20 public -- where it's very hard to control messaging,  
21 they would be portrayed as just working exclusively  
22 on XRP Ledger.

23 BY MS. GUERRIER:

24 Q. Well, was it the reality that they were  
25 basically exclusively working on the XRP Ledger at

1 the time of this email in March 2019?

2 MS. ZORNBERG: Object.

3 THE WITNESS: Not at all.

4 BY MS. GUERRIER:

5 Q. Was the majority of their work with the  
6 Ripple XRP Ledger at the time of this email?

7 MS. ZORNBERG: Object to form.

8 THE WITNESS: I hesitate to quantify  
9 majority versus not, but their primary product for  
10 their gaming developers is built on Ethereum.

11 MS. GUERRIER: We're going to take a lunch  
12 break and then we'll continue.

13 THE VIDEOGRAPHER: Okay. Off the record  
14 at 1:10 p.m.

15 (Whereupon, a lunch recess was taken.)  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1 AUGUST 24, 2021

1:48 P.M.

2 P R O C E E D I N G S

3 AFTERNOON SESSION

4 THE VIDEOGRAPHER: This is the beginning  
5 of file number 4. We're back on the record at  
6 1:48 p.m.

7 BY MS. GUERRIER:

8 Q. Mr. Beard, were you aware that -- let me  
9 rephrase that.

10 Do you have any knowledge of whether  
11 developers that you worked with while SVP of Xpring  
12 were attempting to liquidate their XRP?

13 MS. ZORNBERG: Object to form.

14 THE WITNESS: I'm sorry. To clarify, when  
15 you say "developers" you're referring to any company  
16 building on the Ledger?

17 BY MS. GUERRIER:

18 Q. Well, I believe that you stated that you  
19 worked with developers.

20 A. Yes.

21 Q. So I'm focusing on those companies that  
22 you worked with who are developers, as you defined  
23 that earlier?

24 MS. ZORNBERG: Well, he defined it in two  
25 ways, so ...



1 BY MS. GUERRIER:

2 Q. All right. The developers that were  
3 working with the ecosystem, were you aware if any of  
4 them were trying to liquidate the XRP that they  
5 received from Ripple?

6 MS. ZORNBERG: Object to form.

7 THE WITNESS: So I'd say a couple of  
8 comments. And just to clarify, the platform that we  
9 were building, the technology platform we were  
10 building, was an open platform of open-source  
11 software that anyone could come and use without  
12 having to talk to us.

13 So when I think about developers, you  
14 didn't have to have a relationship, a written  
15 relationship with Ripple in order to be a developer  
16 on the platform.

17 BY MS. GUERRIER:

18 Q. Okay. So you're focusing on the developer  
19 that you were --

20 A. The ones that --

21 Q. -- you partnered with at Ripple, okay. So  
22 do you have an answer to the question?

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: I don't have specific  
25 knowledge of what they did with their XRP.

1 MS. GUERRIER: I'm going to hand you a  
2 document that's been premarked EB-29. It's going to  
3 be -- it's already been premarked, so I'll just pass  
4 it on to everyone.

5 (Whereupon, Deposition Exhibit EB-29  
6 was marked for identification.)

7 THE WITNESS: Okay.

8 BY MS. GUERRIER:

9 Q. I handed you an email from [REDACTED]  
10 dated April 3rd, 2019 to [REDACTED] and others.  
11 I believe you are copied on that email as well.

12 Do you see that?

13 A. I do.

14 Q. And the subject is "March 2019 [REDACTED]  
15 develop -- DEV fund report."

16 Do you see that?

17 A. I do.

18 Q. Okay. So this seems to be an email that  
19 was from [REDACTED] at [REDACTED] regarding developers  
20 liquidating during the development phase and  
21 Mr. [REDACTED] is responding to that email.

22 Do you see that?

23 MS. ZORNBERG: Objection. Document speaks  
24 for itself.

25 THE WITNESS: Yes.

1 BY MS. GUERRIER:

2 Q. Okay. So were you aware that developers  
3 wanted to liquidate their XRP during the development  
4 phases?

5 MS. ZORNBERG: Object to form.

6 THE WITNESS: Yes.

7 BY MS. GUERRIER:

8 Q. Okay. So does this refer to [REDACTED] as well  
9 liquidating during the development phase?

10 MS. ZORNBERG: Object to form.

11 THE WITNESS: I don't know.

12 Q. Which developers are you aware of were  
13 liquidating XRP during the development phase?

14 MS. ZORNBERG: Objection.

15 THE WITNESS: So I'm not aware of  
16 specifics. I assume this XRP report would probably  
17 provide them, but I don't know the specifics.

18 BY MS. GUERRIER:

19 Q. Okay. But you were generally aware that  
20 developers were liquidating the XRP during the  
21 development phase?

22 MS. ZORNBERG: Objection to the term  
23 "developers." [REDACTED] developers? Ripple's?

24 THE WITNESS: Yes. Similar to [REDACTED] I was  
25 aware that these developers were using these funds



1 to build products.

2 BY MS. GUERRIER:

3 Q. Okay. Were they using the XRP to resell  
4 in the secondary market?

5 A. I don't know.

6 Q. When he speaks of wanting to liquidate  
7 during development phases, is it your understanding  
8 that he's speaking about sale of the XRP?

9 MS. ZORNBERG: Object to form.

10 THE WITNESS: Yes. My understanding of  
11 the use of the word "liquidate" here was to turn XRP  
12 into fiat dollars.

13 BY MS. GUERRIER:

14 Q. Okay. So when you say you were aware that  
15 the developers were attempting to liquidate, your  
16 understanding is that they were turning their XRP  
17 into fiat dollars?

18 MS. ZORNBERG: Objection.

19 THE WITNESS: Yes.

20 BY MS. GUERRIER:

21 Q. Okay. Did Ripple have any concern that  
22 some of these developers were liquidating their XRP?

23 MS. ZORNBERG: Object to form.

24 THE WITNESS: What do you mean by  
25 concerns?